

Audit's[®] MARKET ANALYSIS OF REITS AND REAL ESTATE COMPANIES

Realty Stock Review

JANUARY 26, 1990 (Priced Jan. 24)

Volume XXI, Number 2

Market Strategy: Rate Reversal Signals 1990 Caution

"Stick to Quality and Stay Out of Trouble"

The market's New Year's blast has suddenly become an ugly trick-or-treat. Since touching an all-time high on the first trading day of this year, Jan. 2, the broad market has turned downright unfriendly.

This week's selloff sent market averages below their December lows, a bad turn that signals caution for 1990's stock market. When January prices pierced the December lows in the past, stock prices dropped an average 16% in the ensuing year.

We see more volatile and potentially treacherous markets extending into the 1990s and with this issue are retailing REALTY STOCK REVIEW to respond to your advisory needs amid these changing market conditions. These changes and REALTY STOCK REVIEW's responses are described on pages 2 and 3, along with details of the many new features we are adding to broaden scope and coverage.

January's rate reversal has smashed a lot of easy pre-holiday assumptions about the 1990 economy, with negative implications for the market. Keep two particular factors in mind as you make your realty stock investment plans for 1990:

1. Whither interest rates? Until the last couple of weeks, economists were nearly unanimous in seeing lower rates ahead, especially during the first half of 1990. Mother Nature, in the form of extremely cold December weather, upset this consensus prediction and triggered a string of commodity shocks. The cold ravaged many Southern crops and sent fruit and vegetable prices skyrocketing; fuel oil prices soared so swiftly that oilmen are being called on the Congressional

carpet. Producer prices suddenly started heading skyward.

International money markets also are heating up and sharply rising rates in Japan and West Germany, instituted to cool inflation in those nations, are pulling U.S. rates higher. The huge U.S. budget deficit requires U.S. rates to be competitive so we can continue attracting enough foreign money to finance the deficit.

The commodity shocks and worsening global rate picture combine to paint the Federal Reserve Board into a corner, leaving it little latitude to cut rates. Quite the reverse is now possible — even though economic activity is slowing and economic wisdom calls for lower domestic rates, not higher rates.

Tighter Fed Policy. This perception that the Fed will in fact keep pressure on interest rates and perhaps move them up a notch to hold inflation in check and remain competitive in world money markets triggered the 118-point (or 4.4%) Dow Jones Industrial selloff in the Jan. 26 week.

We don't want you to panic and run for the hills, but we now assume that rates will stay high and tight for the time being. Hence we think discretion demands less exposure to money-sensitive stocks, mainly mortgage REITs, mortgage finance companies, and highly leveraged development companies with big appetites for money. "Go for quality and stay out of trouble," says Barry Greenfield, portfolio manager for Fidelity Real Estate Investments, a mutual fund with 13.8% total return in 1989. See our revised Portfolio Selector on Page 8 for our specific ideas in this vein.

New S&L Rules Turn Another Screw. Smaller homebuilders, generally private companies without access to national capital markets, stand to suffer from both rising rates and onerous new Savings & Loan rules which effectively make larger acquisition, development and construction (ADC) loans off limits for many smaller thrifts. President Bush went before an angry Nat. Assn. of Home Builders convention in Atlanta last week and called for still lower interest rates, but the international situation is tying the Federal

CONTINUED ON PAGE 4

IN THIS ISSUE

MARKET STRATEGY & SELECTION ISSUE

Market Strategy: Rate Reversal Signals 1990 Caution	1
The Year 1989: Two Tier Market Emerges. 4 REITs: Losers Top Winners	4
Companies: Big Winners	4
New Capital: Seasoned REITs Dominate	5
News Advisories: Henley Properties Added 6 Portfolio Selector: Model Portfolio Begun	8

COMMITMENT TO SUBSCRIBERS: New Features In REALTY STOCK REVIEW

DEPARTMENTS INSIDE

Portfolio Selector Listing	8
Market Pulse: New Lows Fall; Stabilizing	5
Market Stats:	
Highest & Lowest Dividend Yields.....	9
Best & Worst Performers, Last Month	9

Best & Worst Performers, Last 12 Mths..	9
Current Asset Value Comparisons	9
Tracking Real Estate Mutual Funds	9
Group Action Summary	10
Comparative Realty Stock Statistics	10-12

STOCK RANKING REVIEWS

Prime Motor Inns L.P.	6
Red Lion Inns L.P.	7

STOCK COMMENTS

Fidelity Real Estate Invest.	3
Henley Properties, Inc.	6
Integrated Resources	5
Landmark Land Co.	6
National Real Estate Stock Fund	3
National Real Estate Income Fund	3
Real Estate Securities Income Fund	3
Templeton Real Estate Trust	3
United Services Real Estate Fund	3
USAA Cornerstone Fund	3

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A COMMITMENT TO SUBSCRIBERS: NEW FEATURES ADDED TO REALTY STOCK REVIEW

With this issue we are retailoring REALTY STOCK REVIEW to be more responsive to the volatile and treacherous markets which began unfolding late in the 1980s and which we expect to continue.

All this is part of our ongoing effort to make REALTY STOCK REVIEW more vital and responsive to the advisory needs of investors who are active market participants on both a long-term and short-term basis. The changes involve expanding the information and advice in REALTY STOCK REVIEW in a number of areas to respond to evolving market conditions and trends.

We see this as another step in maturation of realty stocks as one of many viable options for investors, both in the stock market and in the real estate market. For new subscribers and newcomers to realty stocks, a bit of background is in order first.

In the Beginning — The Unknown Realty Stocks. When we began publishing REALTY STOCK REVIEW (then named the Audit of Housing Investments) in 1969, real estate was virtually unknown as an asset class. A surge of stock offerings by REITs, homebuilders, and investment builders in the early 1970s

raised Wall Street's consciousness about real estate. But this was quickly followed by the debacle of the construction lending mortgage REITs of the mid- and late-1970s, shattering investor confidence.

Realty stocks climbed out of this deep hole during the 1980s, helped neatly by Reagan-era tax law changes stimulating new construction and tax shelters. A growing number of equity REITs began showing excellent cash flow and dividend growth and their stock prices recovered apace. In 1985 the Rockefeller family sold Rockefeller Center Properties to the public as a REIT; Wall Street took this as endorsement of REITs by one of America's blue-blood families and began taking more notice of real estate securities as a separate asset class. Publicly tradable master limited partnerships with their unique tax advantages emerged in the middle 1980s to give investors another asset option.

The trend toward bigger and bigger public realty stocks seems sure to continue in the 1990s. Henley Group has just spun out its Henley Properties Inc. unit as a separate \$650 mil. company, and Santa Fe Pacific plans spinning off its \$3-\$4 bil. real estate empire before the end of 1991. As we enter the '90s we must adapt to three major changes tempering investment markets of the '90s:

Change No. 1: The Information Explosion

The financial media expanded greatly during the 1980s as communications companies learned that financial news had a voracious audience. New magazines, business newspapers, and television shows have elevated public understanding of the complexities of financial markets and products, and created more sophisticated investors. Computerized and electronic data have become commonplace.

Real estate securities at first failed to benefit from this information explosion because real estate was almost invisible in the pantheon of Wall Street's statistics. Indexes maintained by the Nat. Assn. of REITs, dating back to Jan. 1972, are published only monthly and aren't readily available to most investors. The Standard & Poor's 500 Index contains a "REIT" segment that is so small as to be invisible.

To answer the investment community's need for a more visible way to measure the ups and downs of real estate stocks, The Wall Street Journal began in late 1988 publishing a new and broader Dow-Jones Equity Index with separate sub-groups covering "Real Estate" and "Home Construction." For the first time, investors could track each day how Wall Street was pricing "Real Estate" and "Home Construction" equities. And while each category includes only six stocks, our studies show that these twin "Six Packs"* do indeed mirror Wall Street's daily fever chart for all realty stocks.

* Real Estate: Federal Realty, First Union RE, Henley Props., Newhall Land, Rockefeller Ctr. Props., Rouse Co.

Home Construction: Centex, Kaufman & Broad Home, NVR LP, PHM (Pulte), Std. Pacific, U.S. Home

REALTY STOCK REVIEW's Response: We are expanding the end-of-the-month Market Strategy and Statistics issue to 10 or 12 pages effective with this issue, so we can present in one package a more comprehensive picture of realty stock markets for that month, and the important events affecting individual companies. [The first-of-the-month issue will be devoted to covering significant news items and company developments during the interim, which we estimate will take 2 to 4 pages. The first August issue will be omitted to permit staff vacations.]

To effect this change, we begin with this issue to track on a weekly basis some of the most pertinent of these new data and will present them in a manner we hope will maximize your use of our monthly statistical coverage. New items include regular coverage of these statistical measures:

A. Total return computations for both the latest month and latest 12 months. Total return is the sum of price change and dividends paid. See the tables on pages 10-12 for this measure.

B. Rankings of realty stocks by three measures that should prove helpful in stock selection. We plan to rank stocks by their dividend yield, price to book value, and total return (price change plus yield) over the latest 12 months. Other screens will be included from time to time. These rankings should make the computerized monthly market statistical package more useful and timely. See page 9.

C. Advances and declines of realty stocks, by group and compared to the broad market; see Market Pulse page 5.

D. New 52-week highs and lows by realty stocks, compared to the general market; see Market Pulse page 5.

E. The Dow-Jones Equity Indices for Real Estate and Home Construction. They are in Performance Summary on page 10.

Change No. 2: Bigger Institutions and More Mutualized Assets.

Individual investors increasingly have turned from picking individual stocks to either buying packages of securities for specific purposes or putting their money into professionally managed mutual funds. Mutual fund assets grew enormously during the 1980s and today you can pick from among 3,000 funds with \$950 bil. assets. Among these mutual funds are six open-end funds and one closed-end fund that specialize or hold fixed allocations in real estate stocks.

REALTY STOCK REVIEW's Response: We plan:

A. Sharper Focus on Stock Selection. For investors who want to take the package approach to buying individual stocks, we've revamped our Portfolio Selector on Page 8. First, we've divided our normal list of about 60 stocks into two separate lists:

A model portfolio with initial entry prices and current advice for each recommended stock. Generally this will include our A Ranked stocks. Selections will be designated either short-term (less than one year) or long-term (over one year) holding. We intend to change stocks in this list as conditions vary. For the first time in our history, we include a short list of stocks that we would avoid or sell. This recognizes the peculiar risks and vulnerabilities we see in some stocks and some groups in today's market.

A supplemental list containing stocks we believe will outperform the market — generally our B Ranked stocks — but which don't have highest immediacy at the time of publication.

Change No. 3: Interdependence Between Industry Sectors.

The investment world has shrunk and markets have become globalized in many ways, demonstrating the close connections between parts of the world economy. The once-insular and localized real estate industry has felt these changes too. National and global capital markets now supply mortgage financing for many home and investment builders, and the local mortgage bankers and S&Ls are no longer able to provide all the needed debt capital. Giant pension funds based both in the U.S. and abroad now pour billions annually into equity and joint venture capital for much commercial building. The securities markets have become an integral part of the money-raising mechanism for both equity and debt capital for real estate.

REALTY STOCK REVIEW's Response: In this climate we plan to focus much more on the "big picture" of larger trends in fields which affect real estate. Our close look at retailing and the symbiotic relationship to shopping centers in the Jan. 12 issue was one such analysis. We think successful investing in the 1990s will require a deeper understanding of the myriad of relationships underlying real estate ownership and development.

We will draw more upon events in other sectors of the real estate industry — pension real estate investment trends, private market housing and real estate activities, and tax and other legislation affecting real estate ownership and construction. Influences from these diverse fields are becoming more crucial in determining the operating fortunes of any specific company or REIT than management action.

B. Menu of Mutual Funds. For the first time, we are beginning this issue to begin tracking shares of mutual funds and investment companies with real estate representation. They are:

—Fidelity Real Estate Investment, an open-end mutual fund with \$52 mil. net assets and managed by Fidelity Distributors Corp., the largest U.S. mutual fund manager;

—National Real Estate Stock Fund, with net assets of \$21.8 mil., and National Real Estate Income Fund, \$12.8 mil. net assets, both sponsored by National Securities & Research Corp., Greenwich, CT. Both are managed by Cohen & Steers Capital Mgmt. of New York.

—Templeton Real Estate Trust, an open-end mutual fund started in 1989 and with \$9.6 mil. assets. The fund is advised by John Templeton, a well-known offshore money manager, and Templeton Foundation of Nassau, Bahamas. The fund is currently closed.

—United Services Real Estate Fund, net assets of \$6.3 mil., a no-load mutual fund advised by United Services Advisors of San Antonio.

—USAA Cornerstone Fund, an open-end mutual fund with over \$500 mil. net assets which are rebalanced quarterly so that 20% of assets are in U.S. real estate. Fund is managed by USAA Investment Mgmt. Co. of San Antonio.

—Real Estate Securities Income Fund, a closed-end investment company with \$24.0 mil. net assets. It is managed by Cohen & Steers. Real Estate Securities is listed on the American Stock Exchange under the symbol RIF.

The stock markets are driven by expectations and perceptions, and hence Wall Street's composite expectations and perceptions for private real estate and realty stocks assume vital importance. For this reason we will pay increasing attention to the securities markets' pricing of realty stocks as a group or in sub-groups, because again these expectations and perceptions may affect stock price more than fundamentals of earnings, cash flow, dividends, and current net asset value.

We are not forsaking the "little picture" — i.e., individual stocks — and hence we plan to review specific stocks more briefly and more frequently, often tying these reviews to current news. One criticism we have heard is that the frequency for individual company reviews has been so predictable that it is often out of touch with current market conditions. This change should make reviews more timely.

To provide you with basic background facts upon major realty stocks, we plan to distribute a handbook containing basic information on the 100-125 largest real estate stocks to subscribers sometime in April, when final 1989 numbers can be assembled. This book will serve as a basic handbook for subscribers.

Because institutions and major investors have more intensive information and advisory needs, we plan to offer an interactive service to them. We have given a great deal of thought to each element of this retailing of REALTY STOCK REVIEW. As always, your editor welcomes your comments and suggestions.

continued from page one

government's ability to respond.

The S&L bailout ushered in tough rules under the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA) passed by Congress last summer. But many of the rules only became effective in December and their impact is now rippling through public companies and the real estate industry. Because of their complexity, even some S&L owners were caught unaware by the fine print. We will analyze the probable impact of these new business rules in a future issue.

2. Whither Realty Stocks? We don't buy the easy assumption that all realty stocks will take gas in a high-rate climate. Basically we think the group and many individual stocks are so well deflated that recovery is a real possibility.

On a short-run basis, most realty stocks started weakening in the fourth quarter of 1989 and ended the year on a down note. This weakness notwithstanding, we detect some relative strength since the turn of the year as detailed in our new Market Pulse feature that follows.

We believe that realty stocks should do relatively well in 1990 against the backdrop of a generally weaker broader market, for several reasons:

1. Less volatility. REITs are about two-thirds less volatile than the broad market, providing a refuge in weak markets. Operating companies (e.g., homebuilders, developers, mortgage companies) however are more volatile than the market.

2. The rebound effect. Money normally flows from high priced stocks (e.g., the weakening blue chips) into weaker groups during market uncertainties, and the beaten-down realty stocks are logical candidates to get some of this new money. Since many stocks are oversold under the gloomy climate prevailing on the downside, the rebound is also magnified when it comes.

3. The long look ahead. The market usually looks well beyond current conditions to what's expected to be happening 12 to 24 months ahead. There's plenty of

anecdotal evidence that direct real estate market conditions are stabilizing or improving, although statistical evidence is slight so far. In the mid-1970s, realty

stocks rebounded sharply even as news media were crammed with accounts of bad bank and REIT loans. We think this pattern is likely to be repeated in this cycle.

The Year 1989: A Two Tier Market Emerges

The fourth-quarter swoon carried realty stocks to a lackluster year. Both REITs and operating companies/MLPs are evolving into pronounced two-tier markets, with seasoned and generally larger entities showing good gains for the year while weaker and smaller companies are falling by the wayside. Thus the spread between the ten best and ten worst performers in each group widened:

REITs: Losers Top Winners

Our tally of 120 REITs shows the group off 3.92% for the year 1989 on a total return basis, with 49 REITs up, one unchanged, and 70 REITs down.

Top winners for 1989 were dominated by health care REITs and seasoned equity trusts. **American Health Props.**, the big winner, gained wider prominence with a strong track record and a stock offering that let AHE tell its story to more investors. Here are the top 10:

Winners	% Total Return
1. Amer. Health Properties.	+39.8%
2. Health Care REIT	+36.8
3. Health Care Property	+33.2
4. Meditrust	+30.7
5. Weingarten Realty	+30.3
6. MSA Realty	+28.3
7. Pennsylvania REIT	+26.6
8. Health & Rehab. Props.	+26.5
9. New Plan Realty	+24.5
10. Nationwide Health Prop.	+23.6

Top losers were dominated by the mortgage REITs, with seven of the top 10 losers being lending-style REITs, mainly the CMO mortgage trusts. **Lomas & Nettleton Mortgage** sagged when its sponsor filed Ch. XI. **HealthVest**, the year's biggest loser, collapsed in price after its sponsor sustained massive losses and defaulted on some lease payments.

Losers % Total Return

1. HealthVest	-64.3%
2. First Continental RE	-60.0
3. RAC Mortgage Invest.	-59.6
4. Lomas & Nettleton Mtg.	-57.7
5. Wedgestone Financial	-54.6
6. Emerald Mortgage Inv.	-52.4
7. Amer. Southwest Mtg.	-49.6
8. Residential Mtg. Invest.	-48.0
9. Linpro Specified Props.	-47.6
10. California REIT	-47.0

Companies: Big Winners

Operating companies and MLPs fell a composite 1.4% for the year, based on our tally of 111 operating company stocks. A total 45 stocks rose in price while 65 fell and one was unchanged. Being more volatile in price than the market, operating companies show a much wider spread between percentage gains of top winners and top losers.

Top winners were dominated by regional and national homebuilders (Continental, Covington, Pacesetter, K&B Home, and Standard-Pacific, all active in California or Arizona). FNMA, the national secondary market maker, and **Hammond Co.** won in the mortgage group, and **Southwest Realty** rebounded after a successful preferred offering staved off a liquidity pinch.

Winners	% Total Return
1. Continental Homes Hldg.	+123.3%
2. Fed. Nat. Mtg. Assn.	+102.8
3. Covington Development	+100.0
4. Pacesetter Homes	+88.9
5. Hammond Co.	+61.7
6. Christiana Cos.	+50.0
7. Kaufman & Broad Home	+41.7
8. MCA Corp.	+38.7
9. Southwest Realty L.P.	+38.5
10. Standard-Pacific L.P.	+37.3

Top losers demonstrate the danger signs to look for in the 1990 stock markets: high leverage and weak local markets. The list is led by the four major financial disasters of 1989: **Integrated Resources** which defaulted on nearly \$1 bil. debt in June 1989; and three companies which sought Chapter XI protection after high leverage caused severe liquidity problems: **Southmark**, **Bay Financial** and **Lomas Financial**.

REALTY STOCK REVIEW's best stock call for 1989 was our Avoid/Sell signal on Integrated at \$13.88 in the Feb. 10, 1989 issue. Integrated lost \$1.04 bil. or \$141.93 per share in its June 1989 quarter, latest reported. We are deleting IRE from coverage. This is the type of insight we hope to bring to our new "Avoid/Sell" section of Portfolio Selector (see Page 8).

Other losers were regional developers (Punta Gorda and FPA Corp. in Florida, Tierco in Oklahoma), and two MLPs: **National Realty**, a major apartment owner which came under management of Southmark's former top officers early in 1989, and **Commonwealth Mortgage**, an MLP sponsored by a Houston S&L later closed by Federal regulators.

Losers	% Total Return
1. Integrated Resources	-98.2%
2. Southmark Corp.	-92.3
3. Bay Financial Corp.	-91.4
4. Lomas Financial Corp.	-87.9
5. Punta Gorda Isles	-85.7
6. Tierco	-81.6
7. Commonwealth Mtg. L.P.	-73.6
8. National Realty L.P.	-72.0
9. Rockwood National	-69.2
10. FPA Corp	-67.7

On a longer term basis, many realty stocks never really recovered from the October 1987 market crash and today 69% of 89 REITs and 69% of 104 operating companies and MLPs sell below their Oct. 19, 1987 closing prices. This count thus means that only 56 of 193 realty stocks are selling above their Oct. 1987 lows.

It is this broad decline in the group, somewhat masked by attention to the big winners over this span, that fuels our optimism about a rebound in realty stocks.

New Capital: Seasoned REITs Dominate Market

A total 15 REITs and companies raised \$734 mil. from equity offerings in 1989, a good showing considering the broader weakness of realty stocks. Equity REITs and medical leaseback REITs dominated, raising 89% or \$655.4 mil. of the total. This dominance of the new capital markets merely reflects the emerging two-tier stock markets described above. Here's our tally of new equity capital raised in 1989, with number of shares sold, offering price, capital raised, and performance through Dec. 31, 1989.

Common stocks—REITs					
Issuer	Mil.Shs.	Price	Mil.\$	%Chg.	
Amer. Hlth. Pr.	2.91	\$22.00	\$64.1	+3.4%	
Bradley RE	0.75	13.00	9.8	-26.9	
Burnham-Pac.	1.50	18.63	27.9	+4.0	
Del-Val Fincl	1.60	17.88	28.6	+2.1	
Dial REIT	1.50	18.75	28.1	-13.3	
Federal Realty	2.00	24.00	48.0	-8.3	
Health Care Pr.	1.00	25.38	25.4	+24.6	
Health & Rehab.	6.00	9.50	57.0	+1.3	
Koger Equity	4.31	19.63	84.6	-6.3	
New Plan Rlty.	5.90	15.75	92.9	+19.1	
Santa Anita Rl.	2.00	29.25	58.5	0.0	
Utd. Dominion	2.86	17.75	50.7	+1.4	
Wash. REIT	1.50	19.88	29.8	-4.4	
Western Inv.	4.00	19.75	79.0	-2.5	
TOTALS			\$684.5	+0.3%	
Preferreds					
UDC-Univ.	2.00	25.00	\$50.0	-14.5%	

Market Pulse: New Lows Fall, Indicating Stability

We begin this issue a series of looks at technical factors covering the market for realty stocks (see page 2). Although REALTY STOCK REVIEW retains its fundamental approach to stock selection, we think a careful monitoring of market action for all realty stocks is a useful guide for your timing of purchases and sales.

Because realty stocks still aren't widely recognized as an asset class, we've adapted two widely-accepted market measurements to help track market move-

ments. Both are familiar to market watchers:

High/low Indicator, which is simply the number of stocks making new 52-week highs minus those making 52-week lows. When investors sell a stock to a new high or new low, it generally means market perception of that stock is changing up or down. Our census of highs and lows covers New York and American Exchange issues, and we tally them weekly to smooth daily fluctuations.

We are watching for two things: the percentage of realty stocks touching new highs/lows compared to all stocks making new highs/lows; and the composition of stocks on each list for clues as to which realty stock sub-groups may be in and out of favor.

Right now the high/low indicator is saying that realty stocks making new lows have fallen to 7% of all new lows, well down from 20% in the Dec. 29 week. That decline comes in the face of January's nasty market spill. The data:

Week	New		Net		-% of All-	
	Highs	Lows	Highs	Lows	Highs	Lows
Jan. 26	0	28	-28	0%	6%	
Jan. 19	0	18	-18	0	7	
Jan. 12	2	14	-12	1	11	
Jan. 5	3	5	-2	1	11	
Dec. 29	2	39	-37	1	20	
Dec. 22	3	53	-50	2	13	
Dec. 15	2	37	-35	1	14	
Dec. 8	3	23	-20	1	11	
Dec. 1	2	24	-22	1	13	

Among specific issues, only four individual stocks have touched new highs in Jan.: **CRI Liquidating Trust**, **HMG-Courtland Props.**, **Meditrust**, and **Pennsylvania REIT**.

A total 35 stocks have touched new lows in Jan.; they include these stocks, by group and number of lows in each:

Seasoned Equity REITs—8: **Bradley RE**, **Federal Realty**, **First Union RE**, **HRE Props.**, **IRT Property**, **MONY Real Estate** (in liquidation), **REIT of Calif.**, and **Washington REIT**. We think it makes sense to shop in this new-low list as indicated in Portfolio Selector. **Federal Realty** and **Washington REIT** appear to be over-

coming problems which have pinched cash flow.

Investment Builders—2: Forest City Enter. B and Perini Investment. Both are thinly traded and Perini has exposure to the soft Arizona property markets.

Homebuilders—9: Weak New Jersey markets hurt Calton, Hovnanian Enter., and Union Valley; Hovnanian reported a sharp drop in Nov. qtr. EPS on lower volume. Soft Florida markets hurt General Devel., Lennar, and Oriole Homes B. Multi-market builders MDC Hldgs. and PHM (Pulte) fell, as did Amrep (New Mex.).

Diversified—1: Landmark Land, builder of premier golf courses which also owns two S&Ls, is falling as new S&L regs are drying up its sources of development cash and it must put many golf courses up for sale. See page 8 for our advice.

Advance/Decline Indicator, which is the net number of realty stocks making weekly advances over declines. Again we are looking for any deviations from broad market trends.

Right now this indicator tells us that the number of advancing realty stocks has moved up near 7% of all advances, highest percentage in the past two months, although the percentage dipped in the January 26 week. Advancing realty stocks are near the low end of their two-month range. Here is our tally of the advance/decline trends for the past eleven weeks:

Week	Net		-% of All-		
	Adv.	Decl.	Adv.	Adv.	Decl.
Jan. 26	24	117	-93	4.8%	5.1%
Jan. 19	69	69	0	6.7	4.2
Jan. 12	44	89	-45	5.5	4.5
Jan. 5	94	42	+52	5.5	4.1
Dec. 29	74	60	+14	4.3	6.6
Dec. 22	43	102	-59	4.0	6.1
Dec. 15	37	100	-63	3.1	6.6
Dec. 8	50	85	-35	3.8	6.3
Dec. 1	70	71	-1	4.3	6.5
Nov. 24	44	88	-44	3.5	6.7
Nov. 17	58	78	-20	4.0	6.5

News Advisories: Henley Properties Added to RSR

Henley Properties Inc. was spun out of Henley Group Inc. effective Jan. 2 and is trading OTC under the HENP symbol.

HENP was carved out of Signal Oil after its acquisition by Henley and is a major homebuilder and developer with operations in southern California plus a New Hampshire land development. With \$650 mil. total assets at cost and \$148.6 mil. shareholders' equity, HENP ranks among the major league developers. We add to Group 7, builders/developers.

HENP's most dynamic property is the 1,100-acre Bolsa Chica tract on the California coast in Huntington Beach, CA. HENP has for years been seeking California Coastal Commission approval to develop this virgin tract, which is now sur-

rounded by a golf course and homes and condos in the \$200,000 to \$1 mil. price range. To win approval, HENP helped form a Bolsa Chica Planning Coalition which last fall reached agreement in principle on a plan. The agreement led to withdrawal of opposition lawsuits. We understand the plan calls for building approx. 5,500 dwelling units in clusters so as to preserve a maximum of open space. If the Coastal Commission approves in May, work could begin in 1991.

The land is booked at \$304 mil. (nearly half of HENP's assets) and we estimate its fully developed value could be in the range of \$550-\$600 mil. After development costs, we figure the tract could add \$9.35/sh. to HENP's \$7.10 book value. Present value of land is probably \$4.50-\$4.75/sh. over book value or total \$11.60-\$12/sh.

Advice: There are a lot of negatives in the HENP picture: debt and other liabilities are 3.36 times shareholders equity, and in the spinoff HENP issued \$110 mil. of payment-in-kind (PIK) debentures whose interest can be paid in additional debentures. The company runs negative cash flow and depends upon borrowings to provide development and operating cash flow, not a good stance in today's taut credit market. At \$6.75 the shares are probably a little high, but we'd expect that old Henley shareholders will continue selling this stub (it traded as high as \$10.25 in Jan.), so that at some price below \$6 it becomes an aggressive buy. (KDC)

PRIME MOTOR INNS L.P. (PMP:NYSE) RANK C

PMP, a finite life master limited partnership (MLP), has scrapped a plan to convert into an open end real estate investment trust (REIT). PMP owns 16 full-service motor inns with 2,492 rooms. The motels have all been operated under Holiday Inns franchises net leased thru Dec. 31, 1991 to sponsor and general partner (GP) Prime Motor Inns, Inc., (PDQ:NYSE), NJ based lodgings operator that has fallen out of favor with investors.

The GP is supporting PMP's distributions through 1991 by making up operating shortfalls under the net leases; in 1989 the shortfall payment is estimated to be about 20% total lease payments, down from 23% in 1988. This support for the dividend would have been lost with PMP's REIT conversion. Units continue with C Rank.

Gut Issue: Reorganization of PMP as a REIT would have ended tax shelter on a scaled-back dividend. In Nov. 1989, PMP's general partner proposed converting the partnership to a

REIT structure. Conversion required unitholder approval. But on Jan. 30 the general partner withdrew the plan, citing market conditions and unitholders' adverse reactions. If approved, units of PMP would have been exchanged on a one-for-one basis for shares of Prime Hotel Real Estate Investments, Inc.

One sticking point with conversion was that the GP said that the dividend of the REIT will reflect actual cash flow (estimated at \$1.00 to \$1.50 per unit) as sponsor support (about \$0.90 per unit in 1989 and \$0.95 in 1988) would have expired after conversion. To sweeten the proposal, PDQ offered to pay unitholders a partially taxable \$2/un. on approval, effectively paying the last two years of its support guarantee.

The aborted conversion was an attempt to broaden the market for PMP shares, and ease the reporting headaches of having to file separate K-1 forms for every unitholder during each year.

PMP units currently trade at a 54% discount to its \$20

offering price. If the conversion had gone through, initial tax-shelter investors would have lost most tax-shelter aspects, since the \$2/unit payout provides tax free income of at least 10% on purchase price. The REIT dividend would have been taxable to the extent depreciation covered operating income.

Current value: We estimate PMP units have a current value of \$17 to \$19 per unit. Adjusted book value (net equity plus accumulated depreciation) is \$19.42.

Advice: Speculative buy. Since units were apparently fully discounting the reduced payout, shares rose 8% to \$9.88 on news of the termination. We see further short-run potential as tax-motivated investors could come back into the market. Operations are doing okay in a competitive hotel market. A negative is the sponsor's own inability to generate rising operating income and,

indeed, the conversion plan may have been conceived to remedy internal cash shortfalls. Distributions for 1989 and 1990 are expected to be nearly all tax-free return of capital. (MJH)

PMP:NYSE Rank C Dec. years 4.00 mil. units.
Price: \$9.88 Div. \$2.08 Yld. 21.1% Price/CFS: 28.5X

Year	Op.EPS	Op.CFS	Div.	High	Low	Yield
1987	\$0.96	\$2.41	\$2.04	\$21.75	\$12.75	16.0- 9.4%
1988	0.89	2.35	2.00	19.50	16.00	12.5-10.3
1989E	0.95	2.55	2.03	18.38	9.00	22.6-11.0
1990E	1.00	1.20	2.08	10.50	8.75z	

Z-To date. MLP began operations Dec. 17, 1986 with initial offering at \$20/unit.

Unitholder data: Institutions own: 20% - only large holder is Cohen & Steers Capital Mgmt. with 5.3%; insiders 2.3%; Avg. weekly volume 68,600 uns.

Financing 9/89 (mil.\$): Debt: \$59.5M; Equity: \$61.5 mil. plus \$16.1 mil. accum.

depreciation, or \$19.42/un. combined. Debt/combined equity ratio: 0.77-1.

Address: 700 Route 46 East, Fairfield, NJ 07006. Phone: (201) 882-1010.

RED LION INNS L.P. (RED:ASE) RANK C

RED is a master limited partnership that owns 10 mid-priced executive hotels with 3,076 rooms in the West. It accounts for about 25% of the 12,340 rooms in 53 hotels managed by sponsor and owner of the general partner (GP) Red Lion Inns Corp. of Vancouver, Wash. The sponsor was taken private by Kohlberg Kravis Roberts & Co. in 1985. We are maintaining our C Rank.

Gut Issue: Will 1990 be the year RED covers its distribution? If 1989 is any indication of RED's direction, we find it very likely that cash flow will reach a level that would not only cover the dividend, but also let RED start to repay its sponsor some \$8.6 mil. in dividend support payments (\$6 mil. fee accruals and \$2.6 mil. outstanding in interest-free credit). In April RED loses availability of its \$4 mil., non-interest bearing credit line used to supplement the dividend. The ability of RED to cover its dividends is good news because sponsor support is nearly run out.

According to its prospectus, RED is to raise its dividend by \$0.05 per unit per year until the \$2.25 level is reached, sometime in early 1993. We forecast 1990 CFS of \$2.25 which would more than cover projected payout of \$2.14 per unit. In 1989 payout will be about \$2.09 per share and cash flow should come within \$0.02 per share of covering this.

Assets and operations: RED's strong showing has been the result of holding costs in check while increasing average occupancy and room rates. In nine months occupancy of 78.7% is up from 77.1% and an average room rate of \$62.03 is up 5% over the previous year period. Nine month revenues were almost 8% higher at \$37.3 mil. than they were in 1988.

Costs declined about 1%, primarily on an 80% decrease in incentive management fees which fell to \$586,000 from \$2.9 mil. The GP reached a \$6 mil. cap on accrual of the incentive management fee last year. Because the fee is subordinated to the dividend, if cash flow comes up short for the year all fee payments made in the nine months would be returned.

Red Lion's emphasis on marketing has boosted RED's hotels. Red Lion competes for mid-priced markets with focus on busi-

ness travelers plus conventions and meetings and tourists. Unlike many hotels, RED seeks to build local restaurant traffic to bolster food and beverage profits plus referrals. Food and beverage revenues make up 39% of RED's total revenues.

RED continues to record good operating gains amid soggy hotel markets. In Omaha RED has felt the effect of a softening agricultural economy and in Sacramento, a new downtown Hyatt competing for the important business stemming from the state government has hurt results. A fire at the Bellevue unit damaged 73 rooms in the June quarter but did not disrupt operations and has since been repaired.

Share buybacks: As of Sept. 30, RED bought 627,800 units at \$14.24/un. No purchases were made in the quarter. RED has approval to buy up to 1.0 mil. units but we doubt they will chase units at current prices.

Current value: We put RED current value at about \$17/un., but in today's market these quality hotels might sell for more.

Advice: Buy RED for total return. Price softness creates an opportunity to buy units that don't reflect current operations and RED's ability to stay ahead of competition in a tough hotel market. Distributions are expected to be about 50% to 60% tax-deferred in 1990 down from 65% to 70% in 1989 and 100% in 1988. (MJH)

RED:ASE Rank: C Dec. years 4.31 mil. units
Price: \$17.50 Div. \$2.10 Yield: 11.6%

	Op.EPS	CFS	Dist.	High	Low	Yield
1987a	(\$0.09)	\$0.94	\$1.43	\$19.75	\$11.00	10-18%
1988	(0.29)	1.63	2.04	16.88	13.25	12-15
1989E	0.72	2.07	2.09	21.13	14.38	14.5- 9.9
1990E	0.80	2.25	2.14	18.62	16.50z	

a-From 4/7/87. Deferred incentive mgmt. fees. added to cash flow: '87 - \$0.15; '88 - \$0.41; '89 - \$0.02E. z-To date.

Unitholder data: Institutions own: 14% and there are no large holders; insiders 0.3%. Avg. weekly volume 71,200 uns.

Finances 9/89 (mil.\$): Debt: \$125.2M; Equity: \$58.8M; accum. deprec. \$17.7M; combined equity + deprec.: \$17.74/un. Debt/combined equity ratio: 1.64-1.

Address: 4001 Main St., Vancouver, Wash. 98663. (206) 696-0001.

Portfolio Selector of Stocks For Investment Goals

Portfolio Selector is designed as a Model Portfolio for long positions (first five sections below); a list of stocks to avoid or sell; and a group of less timely but still useful stocks (group below the heavy rule). Key elements of Selector are:

1. Current Pricing Limit and Stop Loss Points for Each Stock. We suggest initial, or limit, purchase prices in the right hand column which we would follow in placing buy/sell orders with brokers. Stocks marked with a "#" sign are selling

above suggested limits and "hold/buy on declines" is advised. Limit/stop loss prices are changed monthly with the market; current prices are in the adjoining column.

2. RSR's Exclusive Ranking. REALTY STOCK REVIEW ranks actively traded stocks from A to E (see page 12). A Ranked stocks recommended and included in Selector. Some B and C Rank stocks are added for selection.

3. Stocks Grouped for Investment Goals. Long positions are grouped into

five major categories reflecting major investment goals. The first four groups are tailored for mainstream, risk-averse investing. The fifth group, Aggressive Recovery, contains stocks whose yield and recovery are speculative and riskier.

4. Total Return Measurement. Total return from both price change and dividends for the last 12 months is shown.

5. Location and Region. Selector lists major property types and regions so you can balance holdings.

Stock (Added to Port.)	RSR Rank	Prop. Type	Prop. Region	12 Mon. Tot.Ret.	Current Price	Advice/Limit/ Stop Loss	Stock (Added to Port.)	RSR Rank	Prop. Type	Prop. Region	12 Mon. Tot.Ret.	Current Price	Advice/Limit/ Stop Loss
STABLE INCOME WITH ASSET VALUE GROWTH							AVOID/SELL Stocks which may be vulnerable to price/dividend declines						
Seasoned Equity REITs and Income Property Owners							MGI Props. (1/26/90)	A	APT/OFF	SE/MW	(22.8)	12.38	Buy to 13
Bradley Real Est(1/26/90)	A	SC	NM	(18.0)	9.88	Buy to 10.50	Nationwide Hlth. (1/26/90)	B	MED	NAT	+24.5	14.88	Buy to 15
Burnham Pacif. (1/26/90)	A	SC/OFF	CA	+9.3	19.00	Buy to 20	Prop.Tr.Am (1/26/90)	A	SC/APT	TX,CO	+2.1	9.25	Hold/Buy to 10
Chicago Dock (1/26/90)	B	LD	IL	(20.4)	20.00	Hold/Buy to 22	Webb (Del) Cp. (1/26/90)	B	HSG	AZ,NV	(35.1)	9.25	Buy to 9#
Dial REIT (1/26/90)	B	SC	MW	+1.0	16.25	Buy to 17.50	GROUP				(7.0)%		
Federal RI.(1/26/90)	A	SC	NE	+4.8	20.75	Buy to 22.5	All Stocks Except Recovery Group				+5.4%		
IRT Prop.(1/26/90)	A	SC	SE	(4.8)	12.38	Buy to 14	S&P 500				+18.2%		
Intl.Income (1/26/90)	A	SC	NAT	+12.2	13.63	Hold/Buy to 14							
New Plan Rlty(1/26/90)	A	SC	NE	+13.4	17.00	Buy to 17							
Penn. REIT (1/26/90)	A	SC/APT	NE	+21.8	26.25	Hold/Buy to 25#	BRT Realty (1/26/90)	C	MTG	NYC	(23.2)	12.25	Avoid
Santa Anita(1/26/90)	A	SC/RACE	CA	(7.3)	28.50	Hold/Buy to 30	Cenvill Inv. (1/26/90)	C	MTG	FL	(28.4)	9.50	Avoid
Utd.Dom.(1/26/90)	A	APT	VA,NC	+2.6	17.13	Buy to 18	Genl. Dev.(1/26/90)	C	LD/HSG	FL	(43.7)	8.38	Avoid
Washington REIT(1/26/90)	A	OFF/APT	DC	(6.8)	17.63	Hold/Buy to 18.5	Hotel Inv.(1/26/90)	C	HOT	NAT	(27.4)	5.63	Avoid
Weingarten RI(1/26/90)	A	SC	TX	+18.6	31.00	Offer pending	Landmark Land(1/26/90)	C	LAND	CA,CO	(49.2)	9.63	Avoid
Western Inv.RE(1/26/90)	A	SC	CA	+11.6	17.88	Hold/Buy to 19	Pres. Rlty. B(1/26/90)	C	COMB	NYC	(44.8)	6.00	Avoid
GROUP				+2.4%			TOTAL AVOID/SELL				(36.9)		
HIGHER INCOME, LOWER GROWTH & INTEREST RISKS							LESS TIMELY STOCKS FOR POSSIBLE PORTFOLIO INCLUSION						
Mortgage Finance, Fixed & Participating Mortgage REITs, Leaseback REITs							Income Property Owners/Equity and Mortgage REITs						
Amer. Health Pr. (1/26/90)	A	MED	NAT	+31.8	22.00	Buy to \$23.50	BRE Properties(1/26/90)	A	APT/SC	CA,WA	(0.7)	27.88	Hold LT
Health CarePr.(1/26/90)	A	MED	NAT	+29.5	31.00	Offer pending	Cousins Props.(1/26/90)	A	LD/OFF	GA	12.9	15.75	Aggr. LT Hold
Rock.Ctr.Prop. (1/26/90)	B	OFF	NY	+15.6	20.25	Buy to 21	Eastgroup Prop.(1/26/90)	B	OFF/IND	NAT	3.3	20.25	Hold LT
Univ.Hlth.RI (1/26/90)	A	MED	NAT	+19.3	13.00	Hold/Buy to 13.5	Fed. Nat. Mtg.(1/26/90)	A	MTG	NAT	72.0	33.25	Aggr. Hold
GROUP				+26.8%			HRE Props.(1/26/90)	A	SC/OFF	NAT	(7.4)	19.50	LT Recovery
FASTER GROWTH, DEVELOPMENT RISKS PLUS PRICE VOLATILITY							Koger Equity(1/26/90)	B	OFF	SE	10.9	19.00	Hold LT
Investment Builders, Income Property Owners, & Equity MLPs							Mellon Partic.(1/26/90)	C	SC	NAT	(14.0)	5.63	Hold LT
EQK Green Ac.LP (1/26/90)	A	SC	NY	+4.0	11.88	Buy to 12.5	Mtg. & Rlty. Tr.(1/26/90)	B	DIV	NAT	(10.2)	13.88	Hold Income
Equit.RE Sh.LP (1/26/90)	C	SC	MI,MN	(6.3)	7.63	Buy to 8.5	Mtg. Inv. Plus(1/26/90)	B	OFF	CA	(5.9)	6.38	Hold Recover
Forest City A (1/26/90)	B	SC/OFF	NAT	(3.2)	39.25	Buy to 40	Perini Invest. P.(1/26/90)	B	OFF/IND	NAT	(9.5)	13.88	Hold LT
Koger Prop. (1/26/90)	A	OFF	SE	(0.8)	22.75	Buy to 24	REIT of Calif.(1/26/90)	B	SC/OFF	CA	(5.3)	14.25	Hold LT
Rouse Co. (1/26/90)	A	SC/LD	NAT	(3.4)	24.00	Buy to 25.5	Recovery candidates: Builders/developers & REITs						
Shoppco Lau.LP (1/26/90)	C	SC	MD	(1.6)	8.63	Buy to 9	CleveTrust Rlty(1/26/90)	C	OFF/SC	SW	(35.4)	3.88	Aggr. Recovery
GROUP				(3.3%)			Duke Realty(1/26/90)	B	OFF/IND	IN/OH	(3.3)	5.00	Aggr. Recovery
LONG TERM GROWTH VIA VALUE CREATION/RATE RISKS/PRICE VOLATILITY							First Union RE(1/26/90)	B	SC/OFF	NAT	(8.1)	15.63	Hold Recovery
Land & Income Property Developers, Homebuilders							Inter.Genl.LP(1/26/90)	B	LD/APT	MD,PR	+15.1	7.75	Buy to 8.5
Centex Corp. (1/26/90)	A	HSG/MTL	NAT	16.0	33.25	Buy to 33#	K&B Home(1/26/90)	A	HSG/CML	CA,FR	+21.8	12.63	Hold/Buy to 13
Lennar Corp. (1/26/90)	A	HSG	FL	(3.3)	18.63	Hold/Buy to 20	Leisure Tech.(1/26/90)	C	RET/HSG	CA,NJ	(43.3)	2.13	Aggr. Recovery
Newhall Land (1/26/90)	A	LAND	CA	+11.7	28.88	Hold/Buy to 30	MSA Rlty.(1/26/90)	C	SC	MW	+15.3	8.63	Hold/Buy to 9
Std.Pacific LP (1/26/90)	A	HSG	CA	+19.7	15.25	Buy to 15#	Rylander Gr.(1/26/90)	A	HSG/MTG	NAT	(1.4)	19.00	Hold/Buy to 20
GROUP				+9.4%			Sizeler Prop.(1/26/90)	B	SC	LA	3.7	14.00	Hold
AGGRESSIVE RECOVERY/TAKEOVER CANDIDATES/LIQUIDATIONS							Property types: APT=Apartment; CML=Commercial; DIV=Diversified; HOT=Hotel/todging; HSG=Housing;IND=Industrial; LD=Land Devel.; MTL=Motel; MTG=Mortgage; OFF=Office; RACE=Race track; RET HSG=Retirement housing; SC=Shopping Center; S&L=Savings & loan.						
Speculative yield, Uncertain Outcome, High Price Volatility							Property locations: NE=Northeast; SE=Southeast; SW=Southwest; MW=Midwest; W=West; NAT=National. States are Postal Service code.						
Copley Prop. (1/26/90)	B	IND	W	(18.7)	12.63	Buy to 12	Buy limits are approx. maximum purchase prices at publication date. Additions or changes underlined; Review with comment dates in paren. * Reviewed in October. issues. # Stock selling above limit price. z-Audit affiliate involved in pending or recent transaction.						
Hlth.CareREIT (1/26/90)	B	MED	MW	+39.7	15.00	Buy to 15.5							
ICM Prop. (1/26/90)	B	OFF	NAT	(20.1)	6.38	Buy to 7							

Realty Stock Review

SUBSCRIPTION \$288 ANNUALLY. PUBLISHED TWICE MONTHLY ON THE SECOND AND FOURTH FRIDAYS. GROUP RATES ON REQUEST

AUDIT INVESTMENTS, INC., 136 SUMMIT AVENUE, MONTVALE, NJ 07645-1720 Phone (201) 358-2735
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MARKET STATS: KEY DATA FROM OUR MONTHLY COMPUTERIZED MARKET SURVEY

Highest Dividend Yields

Abnormally high dividend yields may indicate the market is expecting a dividend cut in the near future. Our screen shows that mortgage lending REITs, especially those managed by troubled VMS Realty, and the CMO REITs (Asset Inv., and INVG Mtg.) lead this category. REITs with the highest current yields:

Highest Yielding REITs

1. Presidential Realty B	27.7%
2. American Realty	25.3
3. VMS Hotel Inv.	24.8
4. Presidential Realty A	23.7
5. RYMAC Mtg. Inv.	23.3
6. Lomas & Net. Mtg.	22.9
7. VMS Mtg. Inv. Fd.	22.3
8. Asset Investors	22.2
9. VMS Strategic Land	20.3
10. INVG Mtg. Securities	20.0

Highest Yielding Companies

1. Forum Retirement Pfd.	45.0%
2. La Quinta Mtr. LP	27.6
3. U.S. Realty Part.	25.0
4. Prime Motor Inn LP	22.8
5. VMS Mtg. Invest.	20.6
6. Hotel Investors	17.8
7. CF Income Part. LP	17.0
8. Amer. Real Est. Part. LP	16.8
9. NVR LP	15.6
10. Std.-Pacific LP	15.4

Lowest Dividend Yields

Low dividend yields excluding non-dividend payers generally point toward the companies and REITs with the lowest cost of capital, and hence the highest expected growth rates. Low yield may signal a recent dividend cut.

Lowest Yielding REITs

1. Chicago Dock	1.2%
2. Nooney Realty Tr.	3.6
3. Bay Meadows Oper.	3.8
4. Merry Land & Invest.	4.0
5. Sierra RE Equity '83	4.8
6. HMG-Courtland Prop.	5.3
7. Cousins Props.	5.8
8. Sierra Cap. RL. IV	6.0
9. Sierra Cap. RL. VI	6.1
10. Weingarten Rlty.	6.1
11. New Plan Realty	6.1
12. Washington REIT	6.1

Lowest Yielding Companies

1. Tejon Ranch Co.	0.1%
2. Santa Fe Pacific	0.5
3. Forest City B	0.9
4. Forest City A	1.1
5. Centex Corp.	1.2
6. MCA Inc.	1.2
7. Oakwood Homes	1.3
8. Lennar Corp.	1.3
9. First Carolina Corp.	1.4
10. PHM Corp.	1.4

Best Performing Cos.

The best and worst performing REITs and companies based on total return (dividend plus price change) for the past month and over the past year are as follows (excluding stocks selling below \$2 per share):

Best Performing REITs

Last Month	
1. RAC Mtg. Inv.	+63.8%
2. HealthVest	+41.9
3. Grubb & Ellis Income	+25.7
4. Lincoln N.C. Rlty.	+22.6
5. Sierra Cap. IV	+21.2

Last 12 Months	
1. Health Care REIT	+39.7%
2. Meditrust	+33.5
3. Amer. Hlth. Props.	+31.8
4. Hlth. & Rehab. Prop.	+29.9
5. Hlth. Care Props.	+29.5

Best Performing Companies/MLPs

Last Month	
1. Forum Retire. Pfd.	+16.1%
2. Peters (J.M.)	+15.9
3. Emerald Homes L.P.	+13.3
4. Fairfield Comm.	+12.9
5. Confl. Mtg. & Eq.	+12.9

Last 12 Months	
1. Pacesetter Homes	+121.4%
2. Confl. Homes Hldg.	+93.8

3. Fed. Nat. Mtg.	+72.8
4. Indiana Fincl.	+45.5
5. M/I Schottenstein	+42.9

Worst Performing REITs

Last Month	
1. Presidential Rlty. A	-30.4%
2. Presidential Rlty. B	-18.8
3. Chicago Dock	-17.5
4. Sierra RE Eq. '84	-16.1
5. Eastover Corp.	-16.0

Last 12 Months	
1. Lomas & Net. Mt.	-63.2%
2. HealthVest	-57.9
3. RAC Mtg. Inv.	-48.9
4. Emerald Mtg.	-47.1
5. Linpro Specid.	-45.0

Worst Performing Cos./MLPs

Last Month	
1. Hammond Co.	-38.9%
2. PHM Corp.	-24.1
3. Union Valley Cp.	-21.2
4. Champion Enter.	-19.0
5. Landmark Land	-18.1

Last 12 Months	
1. Southmark	-92.2%
2. Commw. Mtg. LP	-92.0
3. Lomas Fincl.	-90.8
4. Bay Fincl.	-88.5
5. Tierco Group	-79.4

CURRENT ASSET VALUE COMPARISONS

	DATE	CURRENT VALUE/ SHARE	% PRICE TO APP. VALUE		DATE	CURRENT VALUE/ SHARE	% PRICE TO APP. VALUE		DATE	CURRENT VALUE/ SHARE	% PRICE TO APP. VALUE
QUALIFIED REITS											
BRE PROPERTIES	7/89	\$36.75	-24.1%	SIERRA CAP RLY VI	12/88	8.82	-47.6	FORUM RET PFD UN	9/89	9.96	-69.9
BURNHAM PAC PROP	12/88	18.50b	2.7	SIERRA RE EQ83	2/88	10.21	-48.6	LA QUINTA MTR IN	12/88	15.75b	-54.0
COPLEY PROPS	12/88	23.37	-46.0	SIERRA RE EQ84	12/88	8.37	-61.2	MSA REALTY CORP	12/88	12.35	-30.2
DUKE RLTY INVST	12/88	8.31	-39.8	TRAML CROW REI	12/88	11.46	-60.7	NATIONAL REALTY	12/88	26.00b	-88.0
FEDERAL REALTY	12/88	21.50b	-3.5	USP RL EST INV	12/88	9.44	-51.0	NEWHALL LAND	12/88	24.24	19.1
FIRST UNION RE	12/88	26.25b	-40.5	UTD DOMINN RLY	12/88	20.50b	-16.5	PERINI INV PR	9/89	24.77	-44.0
GRUB&ELLS REIT	12/88	9.36	-19.9	WASH RE (WRIT)	12/88	17.00b	3.7	PRIME MTR INN LP	12/88	20.90b	-56.3
HRE PROPERTIES	10/88	27.50b	-29.1	WEINGARTEN RLY	12/88	23.00b	34.8	RED LIONS INNS	12/88	17.00b	4.4
INTL INCOME PR	12/88	19.17	-28.9	WESTERN INV RE	12/88	19.00b	-5.9	ROUSE CO	12/88	30.65	-21.7
IRT PROPERTY CO	12/88	16.00b	-22.7	AVERAGE (24 REITS)		-25.1		SHOPCO LAURL CTR	12/88	11.40	-24.3
NEW PLAN RLY TR	7/89	16.67	2.0	OPERATING COMPANIES				SOUTHWEST RLTY	2/89	3.70	-66.2
PENN REIT	8/88	26.00b	1.0	BAY FINCL CORP	6/89	6.02	-79.2	AVERAGE (16 COMPANIES)			-39.8
PRU RL CAPITAL	12/88	2.43	-66.5	EQK GRN ACRES LP	12/88	13.93	-14.8	Current market values of net assets (i.e., properties held) are reported publicly by companies. Values are estimated by management and concurred in by independent appraisers except for: New Plan Realty, management estimate only. Share values are fully diluted. a-Entity has not revalued mortgages. b-Estimated by RSR; not confirmed by Trust.			
SANTA ANITA	12/88	27.82	2.4	EQUITABLE RE SC	12/88	10.22	-25.4				
SIERRA CAP RLY IV	12/88	8.00	-37.5	FOREST CITY-A	1/89	70.00b	-43.9				
				FOREST CITY-B	1/89	70.00b	-43.2				

TRACKING THE REAL ESTATE MUTUAL FUNDS

1/24/90		DISTRIBUTOR/ EXCHANGE	FUND TYPE#	NET ASSET VALUE (NAV)		PAID 1989	IND. YIELD	---CHANGE IN NAV---	
	FUND			NAV	ASK			LAST MON.	LAST YR.
OPEN-END FUNDS									
	FIDELITY REAL ESTATE INV.	Fidelity Mgmt.	LD-2.0%	\$9.49	\$9.68	\$0.54	5.69%	0.32%	5.33%
	NATL. REAL ESTATE STOCK	Natl. Secur. & Res.	LD-7.75%	7.72	8.37	0.39	5.05%	-1.78%	-7.77%
	NATL. REAL ESTATE INCOME	Natl. Secur. & Res.	LD-7.75%	7.95	8.62	0.75	9.43%	-1.24%	-17.96%
	TEMPLETON REAL EST. TR.-New	Templeton Dist.	LD-9%	9.67	10.57	0.00	0.00%	NA	NA
	UNITED SER. REAL ESTATE	Utd. Services	NL	8.63	8.63	0.41	4.75%	-8.87%	-6.50%
	USAA CORNERSTONE FUND	USAA Invest.	NL	19.03	19.03	0.68	3.57%	-2.06%	10.06%
CLOSED-END FUNDS				PRICE	NAV				
	REAL EST. SECURITIES INCOME	AS-RIF	MKT	\$7.25	\$7.62	1.00	13.79%	3.57%	-17.14%

#--LD=LOAD; NL=NO LOAD; MKT=OPEN MKT.

PERCENT CHANGES BASED ON NAV

NA=NOT APPLICABLE; NEW FUND

GROUP ACTION SUMMARY 1/24/90

GROUP NO.	GROUP NAME	DIV. PAY	NO. DIV.	SHARES (000)	BOOK VALUE	ANNUAL EARNINGS DIV.	12-MOS.	PRICE 1/24/90	TOTAL RET. FROM 12/20/89	P/E 1/25/89	ANNUAL YIELD	PRICE TO BOOK	RETURN ON BOOK	MKT VALUE MIL. \$		
1	Property REITs	38	6	4.4	8691	\$11.61	\$0.96	\$0.98	\$12.91	(2.9)	(3.3)	13.1	7.4	11.2	8.5	\$5619.5
2	Leasebank REITs	11	2	13	6879	\$14.23	\$1.29	\$1.59	\$12.79	3.5	8.8	8.1	10.1	(10.2)	11.1	1407.7
3	Property & Mtg. Comb.	15	0	15	5601	\$11.18	\$1.08	\$0.88	\$7.87	(3.3)	(22.4)	8.9	13.7	(29.6)	7.9	670.9
4	Mortgage REITS	21	3	24	8794	\$12.27	\$1.16	\$0.65	\$7.79	1.1	(9.0)	11.9	15.0	(36.5)	5.3	1636.9
5	Participating Mtg. REITS	9	0	9	16207	\$10.89	\$1.14	\$0.83	\$8.43	4.9	(2.7)	10.2	13.5	(22.6)	7.6	1385.9
REIT AVERAGE				105	8693	\$11.96	\$1.08	\$0.95	\$10.62	(0.9)	(5.3)	11.1	10.2	(11.2)	9.0	\$10720.8
6	Major Homebuilders	7	5	12	20784	\$11.73	\$0.40	\$1.47	\$11.24	(0.1)	(9.3)	7.7	3.6	(4.2)	12.5	2295.4
7	Other Builders/Developers	5	25	30	7937	\$5.54	\$0.14	\$0.08	\$5.38	(0.8)	(9.5)	65.4	2.6	(2.9)	1.5	1136.4
8	Income Prop Bldr/Owner	17	7	24	8315	\$10.81	\$0.95	\$0.63	\$13.65	(0.9)	(6.7)	21.8	7.0	26.3	5.8	3080.8
9	Mortgage Banker/Finance	5	3	8	41930	\$5.95	\$0.38	(\$0.36)	\$8.23	(3.8)	0.3	0.0	4.6	38.3	(6.0)	8175.6
10	Diversified Rlty & Holding	8	5	13	40458	\$9.48	\$0.35	(\$2.07)	\$20.14	(3.7)	6.7	0.0	1.7	112.5	(21.8)	15297.8
11	Rlty Svcs/Syndicators	0	3	3	7963	\$5.63	\$0.00	(\$0.55)	\$3.92	(15.3)	(6.0)	0.0	0.0	(30.5)	(9.8)	87.7
12	Manufactured Housing	3	3	6	11540	\$8.94	\$0.22	\$0.41	\$9.33	2.5	(12.5)	22.6	2.4	4.4	4.6	897.6
OTHER REALTY STOCKS AVERAGE				96	17100	\$8.41	\$0.42	\$0.06	\$10.62	(1.7)	(4.4)	165.7	4.0	26.2	5.0	\$27539.4
L	Liquidating Companies	7	1	8	8322	\$8.83	\$1.40	(\$0.09)	\$5.38	(1.1)	(2.4)	0.0	26.0	(39.1)	(1.0)	341.1
TOTAL/AVERAGE				209	12708	\$10.27	\$0.77	\$0.51	\$10.62	(1.3)	(4.9)	20.1	7.2	3.4	7.5	\$42033.0
Dow Jones Industrials								\$226.36	2604.50	(3.1)	19.5	11.5	4.1			
Standard & Poor's 500								\$23.69	330.26	(3.7)	18.2	13.9	3.5			
Dow Jones Utilities								\$13.87	218.94	(6.4)	22.7	15.8	6.8			
Dow Jones Home Construction Group									374.84	0.9	0.8					
Dow Jones Real Estate Group									544.38	(4.7)	22.1					

Liquidating Cos. included only in Total Cos. and Market Value. Industrials, S&P 500, Utilities, Home Construction & Real Estate Return from Dec. 20 not adjusted for dividends.

QUALIFIED REAL ESTATE INVESTMENT TRUSTS

RANK	NAME	REVIEW DATE	EXCHANGE/ SYMBOGL	GRP	SHARES (000)	BOOK VALUE	ANN DIV	-EARNINGS- MO 12MO	PRICE Jan 24	TOTAL RET. FROM 12/22/89	P/E 1/25/89	% ANN YIELD	% PRICE TO BOOK	RETURN ON BOOK	MKT VALU MIL. \$	
A	AMER HEALTH PROP#	12/8/89	NY-AHE	2	14,461	\$19.01	\$2.28	SEP \$2.58	\$22.00	(4.3)	31.8	8.5	10.4	15.7	13.6	\$318.1
NR	AMER SW MTG INVMT	1/27/89	AS-ASR	4	14,326	\$9.73	\$0.60	U SEP \$0.57	\$4.13 X	4.1	(30.2)	7.2	14.5	(57.6)	5.9	\$59.1
C	AMERICAN REALTY	8/11/89	NY-ARB	4	6,356	\$15.04	\$1.52	SEP \$0.66	\$6.00 X	(3.7)	(16.7)	9.1	25.3	(60.1)	4.4	\$38.1
NR	F-ANGELES FINC TRST		AS-ANF	4	1,051	\$17.97	\$1.80	SEP \$2.05	\$13.00 X	(13.1)	(3.2)	6.3	13.8	(27.7)	11.4	\$13.7
D	ANGELL REAL EST#	12/8/89	NY-ACR	2	3,622	\$13.02	\$1.52	DEC \$1.71	D \$7.63 X	0.1	(2.5)	4.5	19.9	(41.4)	13.1	\$27.6
C	ASSET INVESTORS	9/9/88	NY-AIC	4	13,892	\$14.94	\$1.80	SEP \$1.62	\$8.13	(5.8)	(20.0)	5.0	22.2	(45.6)	10.8	\$112.9
B	P-BAY MEADOWS OPER	8/12/88	AS-CJ	1	5,773	\$3.94	\$0.60	SEP \$0.37	\$16.00	(8.6)	(7.8)	43.2	3.8	306.1	9.4	\$92.4
NR	BODDIE-NOEL PROP#		AS-BNP	2	2,850	\$11.41	\$1.36	S SEP \$1.32	\$11.25 X	5.4	(3.0)	8.5	12.1	(1.4)	11.6	\$32.1
A	BRADLEY RL EST @	10/20/89	AS-BTR	1	4,175	\$6.32	\$0.68	JUN \$0.55	\$9.88	1.3	(18.0)	18.0	6.9	56.3	8.7	\$41.2
A	BRE PROPERTIES #	10/20/89	NY-BRE	1	7,885	\$21.26	\$2.40	OCT \$2.52	\$27.88	0.5	(0.7)	11.1	8.6	31.1	11.9	\$219.8
C	BRT REALTY	9/29/89	NY-BRT	4	7,278	\$14.99	\$2.00	SEP \$2.31	\$12.25	12.6	(23.2)	5.3	16.3	(14.9)	16.1	\$89.2
A	BURNHAM PAC PROP#	10/20/89	AS-BPP	1	5,962	\$14.90	\$1.36	SEP \$2.23	\$19.00	0.0	9.3	8.5	7.2	27.5	15.0	\$113.3
NR	CALIFORNIA REI	9/29/89	NY-CT	1	9,065	\$6.72	\$0.40	U SEP \$0.40	\$2.50 X	(1.0)	(35.6)	6.3	16.0	(62.8)	6.0	\$22.7
NR	CAPITAL HSG&MTG	11/24/89	AS-CAP	4	4,982	\$8.79	\$0.95	SEP \$0.61	\$7.50	5.3	9.3	12.3	12.7	(14.7)	6.9	\$37.4
C	CAPSTEAD MTG CORP		NY-CMD	4	8,700	\$20.14	\$2.24	SEP \$2.15	\$14.00	(10.4)	(6.7)	6.5	16.0	(30.5)	10.7	\$121.8
NR	F-CEDAR INCOME FD #		OC-CEDR	1	2,329	\$8.09	\$0.52	SEP \$0.36	\$4.00	3.2	(32.7)	11.1	13.0	(50.6)	4.4	\$9.3
C	CENVILL INVSTR	8/11/89	NY-CVI	3	6,883	\$12.60	\$1.40	SEP \$1.25	\$9.50 X	6.5	(28.4)	7.6	14.7	(24.6)	9.9	\$65.4
B	CHICAGO DOCK&CANL	3/10/89	OC-DOCKS	1	5,784	\$7.00	\$0.24	OCT \$0.87	\$20.00	(17.5)	(20.4)	23.0	1.2	185.7	12.4	\$115.7
C	CLEVETRUST RLTY #	8/12/88	OC-CTRIS	1	1,973	\$17.30	\$0.00	SEP (\$0.69)	D \$3.88	(11.4)	(35.4)	0.0	0.0	(77.6)	(4.0)	\$7.6
NR	COLUMBIA RE INVST	9/9/88	AS-CIV	4	5,379	\$9.43	\$0.92	SEP \$0.92	\$7.13	3.6	18.9	7.7	12.9	(24.4)	9.8	\$38.3
B	COPLEY PROPS #	12/8/89	AS-COP	3	4,008	\$16.37	\$1.44	S SEP \$1.55	\$12.63 X	12.9	(18.7)	8.1	11.4	(22.9)	9.5	\$50.6
C	COUNTRYWIDE MTG	9/9/88	NY-CWM	4	13,645	\$7.99	\$0.64	U DEC \$0.63	D \$4.00	6.7	(15.7)	6.3	16.0	(49.9)	7.9	\$54.6
A	COUSINS PROPS	3/10/89	OC-COUS	1	17,307	\$6.17	\$0.91	SEP \$0.53	\$15.75	(1.6)	12.9	29.7	5.8	155.3	8.6	\$272.6
NR	CRI INS MTG ASSN	12/8/89	NY-CMI	4	20,586	\$10.26	\$1.08	--- \$0.00	\$8.63	0.0	1.5	0.0	12.5	(15.9)	0.0	\$177.6
NR	CRI LIQUIDATING	12/8/89	NY-CRI	4	30,733	\$13.33	\$1.47	--- \$0.00	\$12.88	2.0	3.9	0.0	11.4	(3.4)	0.0	\$395.7
NR	DEL-VAL FINCL		NY-DVL	4	5,712	\$12.57	\$1.86	S SEP \$1.86	\$17.75 X	(1.9)	18.7	9.5	10.5	41.2	14.8	\$101.4
B	DIAL REIT INC #	10/27/89	OC-DEAL	1	5,322	\$16.96	\$1.68	S SEP \$1.76	\$16.25 X	2.6	1.0	9.2	10.3	(4.2)	10.4	\$86.5
B	DUKE RLTY INVST #	10/27/89	NY-DRE	1	8,594	\$6.99	\$0.68	SEP \$0.88	\$5.00	5.3	(3.3)	7.4	13.6	(28.5)	9.7	\$43.0
B	EASTGROUP PROPS	12/8/89	AS-EGP	1	2,504	\$23.82	\$2.60	SEP \$5.91	\$20.25 X	(1.6)	3.3	3.4	12.8	(15.0)	24.8	\$50.7
B	EASTOVER CORP		OC-EASTS	3	1,144	\$15.80	\$1.36	SEP \$2.64	\$11.00 X	(16.0)	(5.4)	4.2	12.4	(30.4)	16.7	\$12.6
NR	EMERALD MTG INVST	9/23/88	NY-EC	4	8,750	\$9.92	\$0.50	SEP \$0.92	\$2.88 X	(12.9)	(47.1)	3.1	17.4	(71.0)	9.3	\$25.2
C	F-EOK RLTY INV I #	9/29/89	NY-EOK	1	7,589	\$14.32	\$0.00	SEP \$1.57	\$6.38	2.0	(44.0)	4.1	0.0	(55.5)	11.0	\$48.4
A	FEDERAL REALTY#	10/20/89	NY-FRT	1	16,476	\$12.09	\$1.40	SEP \$1.86	\$20.75 X	(3.0)	4.8	12.5	6.7	71.6	13.7	\$341.9
NR	FIRST CONTNL REIT		OC-FCRES	4	5,275	\$2.44	\$0.00	AUG (\$0.78)	\$0.50	100.0	(33.3)	0.0	0.0	(79.5)	(32.0)	\$2.6
A	FIRST UNION RE#	10/20/89	NY-FUR	1	17,659	\$9.28	\$1.50	SEP \$2.21	\$15.63 X	(4.5)	(8.1)	7.1	9.6	68.4	23.8	\$275.9
NR	GOLDEN CORRAL #		OC-GCRA	2	1,480	\$9.38	\$1.00	S SEP \$1.08	\$7.50	3.4	3.0	6.9	13.3	(20.0)	11.5	\$11.1
C	F-GRUB&ELLS REIT		OC-GRIT	5	2,500	\$8.90	\$0.72	S SEP \$0.48	\$7.50 X	25.7	28.6	15.6	9.6	(15.7)	5.4	\$18.8
A	HEALTH CARE PRP#	12/22/89	NY-HCP	2	9,200	\$22.23	\$2.91	SEP \$2.84	\$31.00	0.0	29.5	10.9	9.4	39.5	12.8	\$285.2
B	HEALTH CARE REIT	12/22/89	AS-HCN	4	6,078	\$12.16	\$1.72	U SEP \$1.73	\$15.00	5.3	39.7	8.7	11.5	23.4	14.2	\$91.2
D	HEALTHVEST #	8/25/89	AS-HVT	2	10,773	\$20.14	\$0.00	SEP \$2.36	\$5.50	41.9	(57.9)	2.3	0.0	(72.7)	11.7	\$59.3
C	HLTH & REHAB PRP#	12/22/89	NY-HRP	2	9,998	\$8.78	\$1.16	S SEP \$1.20	\$9.25 X	1.8	29.9	7.7	12.5	5.4	13.7	\$92.5
C	HMG/COURTLAND PROP	9/29/89	AS-HMG	1	1,216	\$18.78	\$0.80	SEP (\$2.14)	\$11.25	(4.3)	0.9	0.0	5.3	(40.1)	(11.4)	\$13.7
C	P-HOLLYWOOD PK RLTY	2/24/89	OC-HTRFZ	1	3,956	\$1.38	\$0.00	SEP (\$3.81)	\$20.50	(11.8)	(10.9)	0.0	0.0	1385.5	(276.1)	\$81.1
A	HRE PROPERTIES #	4/21/89	NY-HRE	1	6,002	\$25.94	\$1.80	JUL \$1.93	\$19.50 X	(12.8)	(7.4)	10.1	9.2	(24.8)	7.4	\$117.0
B	ICM PROP INVSTR #	12/8/89	NY-ICM	3	5,476	\$13.30	\$0.48	S SEP \$0.85	\$6.38	(3.8)	(20.1)	7.5	7.5	(52.1)	6.4	\$34.9
NR	F-INCOME OPP RLTY #		AS-IOT	3	4,375	\$13.84	\$0.40	D JUN (\$1.43)	\$4.88 X	(11.6)	(30.0)	0.0	8.2	(64.8)	(10.3)	\$21.3
A	INTL INCOME PRP#	4/28/89	AS-IIP	1	15,953	\$8.91	\$1.12	SEP \$1.74	\$13.63	0.9	12.2	7.8	8.2	52.9	19.5	\$217.4
NR	INVG MTG SECS		OC-INVG	4	682	\$27.30	\$1.40	SEP (\$1.62)	\$7.00	7.7	1.1	0.0	20.0	(74.4)	(5.9)	\$4.8
A	IRT PROPERTY CO#	10/27/89	NY-IRT	1	12,186	\$9.00	\$1.16	SEP \$1.19	\$12.38	(2.0)	(4.8)	10.4	9.4	37.5	13.2	\$150.8
B	KOGER EQUITY INC#	3/10/89	AS-KE	1	14,313	\$18.67	\$1.80	SEP \$1.92	\$19.00	10.9	10.9	9.9	9.5	1.8	10.3	\$271.9

RANK	NAME	REVIEW DATE	EXCHANGE/ SYMBOL	GRP	SHARES (000)	BOOK VALUE	ANN DIV	-EARNINGS- MO 12MO	PRICE Jan 24	TOTAL RET. FROM 12/22/89 1/25/89	P/E RATIO	% ANN YIELD	% PRICE TO BOOK	RETURN ON BOOK	MKT VALU MIL. \$	
C	L&N HOUSING	5/13/88	NY- LHC	5	2,200	\$18.93	\$1.60	DEC \$0.17 D	\$11.75	5.6 (14.5)	69.1	13.6	(37.9)	0.9	\$25.9	
B	LANDSING PACIFIC#	10/20/89	AS- LPF	1	6,157	\$19.14	\$0.80	SEP \$0.82	\$8.50	(9.3)	12.7	10.4	9.4	(55.6)	4.3	\$52.3
NR	LINCOLN NC RL FND		AS- LRF	3	1,998	\$12.25	\$0.84	SEP \$0.33	\$8.38 X	22.6	7.0	25.4	10.0	(31.6)	2.7	\$16.7
NR	F- LINPRO SPCFD PROP		AS- LPO	1	1,856	\$9.04	\$0.00	SEP (\$0.02)	\$1.38	(8.3)	(45.0)	0.0	0.0	(84.8)	(0.2)	\$2.6
C	LOMAS & NET MTG	2/10/89	NY- LOM	4	11,704	\$21.31	\$1.20	DEC (\$0.24) D	\$5.25	0.0 (63.2)	0.0	22.9	(75.4)	(1.1)	\$61.4	
NR	MEDICAL PROPS		AS- MPP	2	2,369	\$10.86	\$1.20	SEP \$0.84	\$7.13 X	(4.2)	5.7	8.5	16.8	(34.4)	7.7	\$16.9
C	MEDITRUST #	12/22/89	NY- MT	2	15,721	\$15.77	\$2.28	DEC \$2.21 U	\$20.25 X	7.2	33.5	9.2	11.3	28.4	14.0	\$318.4
C	F- MELLON PART MTG	8/25/89	OC- MPMTS	5	8,645	\$6.05	\$0.72 D	SEP \$0.73	\$5.63	0.0 (14.0)	7.7	12.8	(37.8)	8.1	\$48.6	
C	MERRY LAND & INV	9/9/88	OC- MERY	3	9,779	\$7.21	\$0.20 U	DEC \$0.93 U	\$5.00 X	(5.1)	(24.3)	5.4	4.0	(30.7)	12.9	\$48.9
A	MGI PROPERTIES #	7/8/88	NY- MGI	1	9,432	\$17.68	\$1.12	NOV \$1.32 D	\$12.38 X	2.3 (22.8)	9.4	9.1	(30.0)	7.5	\$116.7	
B	MONMOUTH REIT @	1/27/89	OC- MNRTS	3	1,853	\$4.45	\$0.70	JUN \$0.69	\$6.13	(2.0)	18.7	8.9	11.4	37.6	15.5	\$11.3
B	MTG & RLTY TRUST	8/25/89	NY- MRT	3	10,933	\$16.90	\$1.80 D	DEC \$1.81 D	\$13.88 X	7.1 (10.2)	7.7	13.0	(17.9)	10.7	\$151.7	
B	MTG INVSTMT PLUS#	8/25/89	AS- MIP	3	9,020	\$8.35	\$0.80	SEP \$0.56	\$6.38	(8.9)	(5.9)	11.4	12.5	(23.7)	6.7	\$57.5
B	NATIONWIDE HLTH #	12/8/89	NY- NHP	2	8,195	\$20.91	\$1.00 S	SEP \$2.32	\$14.88 X	19.8	24.5	6.4	6.7	(28.9)	11.1	\$121.9
A	NEW PLAN RLY TR#	10/27/89	NY- NPR	1	34,713	\$8.48	\$1.04	JUL \$1.00	\$17.00 X	(2.8)	13.4	17.0	6.1	100.5	11.8	\$590.1
NR	F- NOONEY RLY TR#		OC- NRTI	1	867	\$16.63	\$0.32	SEP \$0.36	\$9.00	(1.4)	6.5	25.0	3.6	(45.9)	2.2	\$7.8
B	ONE LIBERTY PR#	6/23/89	AS- OLP	2	2,203	\$13.42	\$0.00	JUN \$0.01	\$11.00	1.1 (22.1)	1100.0	0.0	(18.0)	0.1	\$24.2	
A	PENN REIT#	10/27/89	AS- PEI	1	8,207	\$10.00	\$1.72	NOV \$1.67 U	\$26.25	(2.3)	21.8	15.7	8.6	162.5	16.7	\$215.4
NR	PITTS & WVA RR		AS- PW	2	1,510	\$6.07	\$0.56	SEP \$0.55	\$5.88	0.0	7.1	10.7	9.5	(3.2)	9.1	\$8.9
B	PRESIDENTL RL-A#		AS- PDLA	3	479	\$4.01	\$1.66	JUN \$1.97	\$7.00	(18.8)	(39.3)	3.6	23.7	74.6	49.1	\$3.4
B	PRESIDENTL RL-B#		AS- PDLB	3	2,825	\$4.01	\$1.66	JUN \$1.97	\$6.00	(30.4)	(44.8)	3.0	27.7	49.6	49.1	\$17.0
A	PROPERTY CAPITAL	8/26/88	AS- PCT	3	10,869	\$13.92	\$2.38 E	OCT \$1.38	\$12.00 X	4.0 (30.4)	8.7	19.8	(13.8)	9.9	\$130.4	
B	PROPERTY TR AMER#	9/29/89	NY- PTR	1	5,071	\$10.37	\$0.84	SEP \$0.76	\$9.25	2.8	2.1	12.2	9.1	(10.8)	7.3	\$46.9
B	F- PRU RL CAPITAL #	7/8/88	NY- PRT	1	11,135	\$1.41	\$0.00	---	\$0.81	0.0 (35.0)	0.0	0.0	(42.3)	0.0	\$0.9	
B	F- PRU RL INCOME #	7/8/88	NY- PRTPR	1	11,135	\$8.00	\$0.69	SEP \$0.69	\$5.88	6.8	0.9	8.5	11.7	(26.8)	8.6	\$65.4
NR	RAC MTG INVESTMT	9/23/88	NY- RMR	4	14,450	\$8.41	\$0.60 U	SEP \$0.03	\$3.13 X	63.8 (48.9)	104.2	19.2	(62.8)	0.4	\$45.2	
C	REALTY REFUND		NY- RRF	4	1,021	\$18.29	\$1.72	OCT \$1.72	\$14.63	2.6	12.7	8.5	11.8	(20.0)	9.4	\$14.9
B	REALTY SOUTH		AS- RSI	3	2,098	\$11.13	\$0.68	SEP \$0.17	\$5.88	(13.0)	(39.2)	34.6	11.6	(47.2)	1.5	\$12.3
B	REIT OF CALIF#	10/20/89	NY- RCT	1	7,346	\$12.42	\$1.38	SEP \$1.69	\$14.25 X	(6.6)	(5.3)	8.4	9.7	14.7	13.6	\$104.7
NR	RESIDENTIAL MTG		AS- RMI	4	4,220	\$7.73	\$0.00	SEP (\$0.07)	\$1.75	16.7 (30.0)	0.0	0.0	(77.4)	(0.9)	\$7.4	
NR	F- RESORT INCOME INV	8/25/89	AS- RII	5	4,156	\$11.61	\$1.60	SEP \$1.53	\$9.75 X	1.5	3.0	6.4	16.4	(16.0)	13.2	\$40.5
A	ROCK CTR PROPS #	12/8/89	NY- RCP	5	37,510	\$16.31	\$1.88	SEP \$1.78	\$20.25	(2.4)	15.6	11.4	9.3	24.2	10.9	\$759.6
NR	RPS REALTY TRUST	12/8/89	NY- RPS	5	29,282	\$6.84	\$0.84	SEP (\$0.10)	\$5.75 X	(0.2)	7.1	0.0	14.6	(15.9)	(1.5)	\$168.4
NR	RYMAC MTG INVSTMT	9/23/88	AS- RMI	4	5,420	\$8.46	\$1.60	SEP \$0.89	\$6.88 X	3.9	5.9	7.7	23.3	(18.7)	10.5	\$37.3
A	P- SANTA ANITA	4/28/89	NY- SAR	1	10,957	\$10.27	\$2.08	SEP \$1.53	\$28.50 X	2.7 (7.3)	18.6	7.3	177.5	14.9	\$312.3	
NR	F- SIERA CAP RLY IV#		AS- SZD	1	7,470	\$7.90	\$0.30	JUN \$0.24	\$5.00	21.2 (7.8)	20.8	6.0	(36.7)	3.0	\$37.4	
NR	F- SIERA CAP RLY VI#		AS- SZF	1	3,533	\$8.11	\$0.28	JUN \$0.23	\$4.63	5.7 (29.4)	20.1	6.1	(43.0)	2.8	\$16.3	
NR	F- SIERRA RE EQ83#		OC- SETBS	1	3,032	\$7.46	\$0.25	JUN \$0.48	\$5.25	(12.5)	(24.1)	10.9	4.8	(29.6)	6.4	\$15.9
NR	F- SIERRA RE EQ84#		OC- SETC	1	4,887	\$6.79	\$0.00	MAF \$0.49	\$3.25	(16.1)	(40.9)	6.6	0.0	(52.1)	7.2	\$15.9
B	SIZELER PROP INV#	2/24/89	NY- SIZ	1	3,713	\$18.83	\$1.56	JUN \$1.48	\$14.00	3.7	3.7	9.5	11.1	(25.7)	7.9	\$52.0
C	STORAGE EQUITIES	10/14/88	NY- SEQ	1	10,943	\$14.39	\$1.40	SEP \$1.01	\$10.75	(2.3)	4.5	10.6	13.0	(25.3)	7.0	\$117.6
NR	TIS MTG INVSTMT	9/23/88	NY- TIS	4	8,100	\$8.94	\$1.28	SEP \$0.94	\$7.50 X	(0.7)	12.5	8.0	17.1	(16.1)	10.5	\$60.8
C	F- TRAML CROW RE#	7/8/88	NY- TCR	1	9,075	\$0.01	\$0.70	SEP \$1.14	\$4.50	(2.7)	(29.3)	3.9	15.8	(50.1)	12.7	\$40.8
NR	F- TRANSCONTL RLTY #	9/9/88	NY- TCI	3	12,280	\$13.54	\$0.40 D	MAF (\$1.45)	\$3.00 X	(0.8)	(37.0)	0.0	13.3	(77.8)	(10.7)	\$36.8
A	UNIV HEALTH RLY#	12/8/89	NY- UHT	2	7,047	\$14.05	\$1.48	SEP \$1.59	\$13.00	3.0	19.3	8.2	11.4	(7.5)	11.3	\$91.6
C	USP RL EST INV#		AS- URT	1	3,880	\$7.74	\$0.60 D	SEP \$0.26	\$4.63	2.8 (27.4)	17.8	13.0	(40.2)	3.4	\$17.9	
A	UTD DOMIN RL Y#	10/27/89	OC- UDRF	1	11,587	\$13.81	\$1.24	SEP \$1.26	\$17.13 X	(3.1)	2.6	13.6	7.2	24.0	9.1	\$198.4
NR	F- VMS HOTEL INVSTMT		AS- VHT	5	9,863	\$8.75	\$0.90	SEP \$0.68	\$3.63 X	10.0 (34.2)	5.3	24.8	(58.6)	7.8	\$35.8	
NR	VMS MTG INVSTMT FD	11/24/89	NY- VMG	5	39,709	\$8.80	\$1.20	SEP \$1.07	\$5.38 X	10.7 (21.5)	5.0	22.3	(38.9)	12.2	\$213.4	
NR	VMS ST INCOME		AS- VST	4	6,918	\$9.20	\$1.04	SEP \$0.99	\$5.38 X	7.3 (16.1)	5.4	19.3	(41.6)	10.8	\$37.2	
NR	VMS STRATEGIC LAND		OC- VLANS	5	11,994	\$8.85	\$1.27	SEP \$1.11	\$6.25 X	15.1 (6.6)	5.6	20.3	(29.4)	12.5	\$75.0	
A	WASH RE (WRIT)#	4/21/89	AS- WFE	1	15,434	\$7.35	\$1.08	SEP \$1.18	\$17.63	(6.0)	(6.8)	14.9	6.1	139.8	16.1	\$272.0
D	WEDGESTONE FINCL	8/11/89	NY- WDG	4	5,795	\$5.69	\$0.00	SEP (\$2.24)	\$1.63	62.5 (43.5)	0.0	0.0	(71.4)	(39.4)	\$9.4	
A	WEINGARTEN RLY#	10/20/89	NY- WRI	1	13,986	\$13.82	\$1.88 U	SEP \$2.44	\$31.00	(3.1)	18.6	12.7	6.1	124.3	17.7	\$433.6
A	WESTERN INV RE#	10/20/89	AS- WIR	1	15,969	\$14.44	\$1.40	SEP \$1.48	\$17.88	(7.7)	11.6	12.1	7.8	23.8	10.2	\$285.4

COMPANIES AND BUSINESS TRUSTS

NR	ABRAMS INDS INC		OC-ABRI	10	2,978	\$5.99	\$0.20	OCT	\$0.54	\$5.25	(2.3)	32.0	9.7	3.8	(12.4)	9.0	\$15.6
C	LP- AMER RE PARTNERS	1/12/90	NY- ACP	8	14,361	\$17.38	\$2.00	SEP	\$1.82	\$11.88 X	5.3	(9.8)	6.5	16.8	(31.7)	10.5	\$170.5
L	AMERICANA HOTEL		NY- AHR	13	4,920	\$9.54	\$8.00	SEP	\$0.93	\$6.13	(3.9)	5.6	6.6	130.6	(35.8)	9.7	\$30.1
C	AMREP CORP	9/15/89	NY- AXR	7	6,618	\$10.25	\$0.00	OCT	\$0.10	\$6.38	(1.9)	(19.0)	63.8	0.0	(37.8)	1.0	\$42.2
NR	ANGELES CORP		AS- ANG	11	2,733	\$10.33	\$0.00	SEP	(\$0.06)	\$7.00	(11.1)	21.7	0.0	0.0	(32.2)	(0.6)	\$19.1
E	VJ- BAY FINCL CORP		NY- BAY	8	3,851	\$0.24	\$0.00	SEP	(\$7.47)	\$1.25	25.0	(88.5)	0.0	0.0	420.8	(3112.5)	\$4.8
C	LP- BURGER KING INV #	1/12/90	NY- BKP	8	4,635	\$17.50	\$1.80	SEP	\$1.76	\$12.50	2.0	(1.0)	7.1	14.4	(28.9)	10.0	\$57.9
C	CALPROP CORP		AS- CPP	7	4,617	\$8.93	\$0.00	SEP	\$1.17	\$6.63	0.0	0.5	5.7	0.0	(25.8)	13.1	\$30.6
C	CALTON INC	6/10/88	NY- CN	7	23,788	\$2.81	\$0.00	NOV	(\$0.19) D	\$0.69	(38.8)	(78.0)	0.0	0.0	(75.5)	(6.8)	\$16.4
NR	CENTENNIAL GROUP		AS- CED	10	26,200	\$5.68	\$0.00	SEP	\$0.10	\$1.38	(15.4)	(57.7)	13.8	0.0	(75.8)	1.8	\$36.0
A	CENTEX CORP	11/10/89	NY- CTX	6	15,072	\$27.74	\$0.40	DEC	\$3.88 U	\$33.25	9.0	16.0	8.6	1.2	19.9	14.0	\$501.1
C	LP- CF INCOME PTNRS #	1/12/90	NY- CFI	8	13,169	\$6.89	\$1.00 S	SEP	\$0.82	\$5.88	4.4	(5.2)	7.2	17.0	(14.7)	11.9	\$77.4
NR	CHAMPION ENTERPRRS		AS- CHB	12	7,167	\$4.99	\$0.00	NOV	(\$1.72) D	\$2.13	(19.0)	(46.9)	0.0	0.0	(57.4)	(34.5)	\$15.2
C	CHRISTIANA COS		NY- CST	7	5,192	\$5.48	\$0.00	SEP	\$0.34	\$8.63	(9.2)	40.8	25.4	0.0	57.4	8.2	\$44.8
B	CLAYTON HOMES		NY- CMH	12	15,804	\$5.81	\$0.00	DEC	\$1.03 D	\$8.38	(4.3)	4.7	8.1	0.0	44.1	17.7	\$132.4
NR	LP- CMNWLTN MTG AM-A		NY- CMA	9	35,000	\$0.15	\$0.00	SEP	(\$0.29)	\$0.22	(12.4)	(92.0)	0.0	0.0	46.0	(193.3)	\$7.7
NR	CONGRESS ST PROPS		OC- CSTP	10	1,075	\$12.39	\$0.00	NOV	(\$1.25) D	\$4.25	0.0	(33.3)	0.0	0.0	(65.7)	(10.1)	\$4.6
C	CONTL HHS HOLDING		OC- COH	7	3,515	\$7.97	\$0.00	NOV	\$0.80	\$7.75	(10.1)	93.8	9.7	0.0	(2.8)	10.0	\$27.2
L	F- CONTL MTG&EQUITY	3/24/89	OC- CMETS	13	11,486	\$8.89	\$0.48 U	SEP	(\$0.85)	\$3.13 X	12.9	(10.8)	0.0	15.4	(64.8)	(9.6)	\$35.9
B	COUNTRYWIDE CRDIT	2/24/89	NY- CCR	9	16,789	\$6.69	\$0.28	NOV	\$0.65	\$7.25 X	(9.9)	11.5	11.2	3.9	8.4	9.7	\$121.7
D	COVINGTON DEVLPMNT		OC- COVT	7	13,943	\$0.80	\$0.00	SEP	\$0.43	\$0.94	7.2	76.6	2.2	0.0	17.3	53.8	\$13.1
D	DELTONA CORP		NY- DLT	7	5,581	\$4.82	\$0.00	SEP	\$0.04	\$4.50	2.9	(2.7)	112.5	0.0	(6.6)	0.8	\$25.1
NR	LP- EMERALD HOMES LP		NY- EHP	7	5,225	\$5.31	\$0.00	SEP	\$0.27	\$2.13	13.3	(69.3)	7.9	0.0	(60.0)	5.1	\$11.1
B	LP- EQK GRN ACRES LP	1/12/90	NY- EGA	8	10,174	\$7.88	\$1.29	SEP	\$1.30	\$11.88 X	2.7	4.0	9.1	10.9	50.7	16.5	\$120.8
B	LP- EQUITABLE RE SC #	1/12/90	NY- EGM	8	10,700	\$8.01	\$1.04	JUN	\$0.62	\$7.63 X	8.8	(6.3)	12.3	13.6	(4.8)	7.7	\$81.6
D	EQUITEC FNCL GP		NY- EFG	11	4,952	\$1.40	\$0.00	SEP	(\$1.65)	\$0.75	(53.8)	(72.7)	0.0	0.0	(46.4)	(117.9)	\$3.7
C	FAIRFIELD COMM	9/15/89	NY- FCI	7	10,922	\$9.91	\$0.00	SEP	\$0.20	\$4.38	12.9	(30.0)	21.9	0.0	(55.9)	2.0	\$47.8
A	FED NATL MTNG	8/11/89	NY- FNM	9	238,591	\$10.19	\$0.56 S	DEC	\$3.14 U	\$33.25	(3.3)	72.0	10.6	1.7	226.3	30.8	\$7,933.2
NR	FIRST CAROLINA		OC- FCAR	10	686	\$32.83	\$0.50	SEP	\$1.71	\$34.50	0.0	18.6	20.2	1.4	5.1	5.2	\$23.7
B	FLEETWOOD ENTER	9/25/89	NY- FLE	12	22,708	\$17.91	\$0.76	OCT	\$2.56	\$24.50 X	11.0	(11.5)	9.6	3.1	36.8	14.3	\$556.6

RANK	NAME	REVIEW DATE	EXCHANGE/ SYMBOL	GRP	SHARES (000)	BOOK VALUE	ANN DIV	-EARNINGS- MO 12MO	PRICE Jan 24	TOTAL RET. FROM 12/22/89 1/25/89	P/E RATIO	% ANN YIELD	% PRICE TO BOOK	RETURN ON BOOK	MKT VALU MIL. \$	
B	FOREST CITY-A#	9/15/89	AS- FCEA	8	4,169	\$29.70	\$0.42	JUL \$3.20	\$96.25 X	7.0	(3.2)	12.3	1.1	32.2	10.8	\$163.6
B	FOREST CITY-B#	9/15/89	AS- FCEB	8	3,890	\$29.70	\$0.36	JUL \$3.20	\$39.75 X	(7.1)	(2.2)	12.4	0.9	33.8	10.8	\$154.6
C	LP- FORUM RET PFD UN#	6/14/89	AS- FRL	8	6,510	\$6.74	\$1.35 S	SEP \$0.58	\$3.00 X	16.1	(26.0)	5.2	45.0	(65.7)	6.6	\$19.5
NR	FPA CORP		AS- FFO	7	4,011	\$6.98	\$0.00	SEP (\$2.00)	\$1.00	(20.0)	(74.2)	0.0	0.0	(85.7)	(28.7)	\$4.0
C	GENERAL DEVL PMT	9/15/89	NY- GDV	6	8,482	\$19.58	\$0.00	SEP \$0.42	\$8.38	(11.8)	(43.7)	19.9	0.0	(57.2)	2.1	\$70.9
D	GENERAL HOMES		NY- GHD	7	15,009	(\$9.35)	\$0.00	SEP (\$10.33) U	\$0.25	(38.4)	(50.0)	0.0	0.0	0.0	0.0	\$3.8
B	LP- GOULD INVSTRS LP#	9/29/89	AS- GLP	8	1,075	\$19.08	\$0.00	JUN \$3.58	\$51.00	(8.1)	1.5	14.2	0.0	167.3	18.8	\$54.8
C	GRUBB & ELLIS CO	6/10/88	NY- GBE	11	16,205	\$5.17	\$0.00	SEP \$0.06	\$4.00	(8.6)	0.0	66.7	0.0	(22.6)	1.2	\$64.8
NR	HAMMOND CO		OC- THCO	9	1,660	\$5.00	\$0.10	SEP (\$0.37)	\$2.75	(38.9)	(12.3)	0.0	3.6	(45.0)	(7.4)	\$4.6
NR	HENLEY PROPS INC.	1/26/90	OC- HENP	7	18,912	\$7.10	\$0.00	SEP (\$0.15)	\$6.75	0.0	0.0	0.0	0.0	(4.9)	(2.1)	\$127.7
L	P- HOTEL INVESTORS	10/27/89	NY- HOT	13	12,132	\$13.08	\$1.00	SEP (\$0.29)	\$5.63 X	(9.6)	(27.4)	0.0	17.8	(57.0)	(2.2)	\$68.2
B	HOVNANIAN ENTR	11/10/89	AS- HOV	7	20,854	\$6.07	\$0.00	NOV \$0.95 D	\$7.00	(5.1)	(22.2)	7.4	0.0	15.3	15.7	\$146.0
NR	INDIANA FNCL INV		OC- IFII	8	913	\$13.55	\$0.00	SEP \$1.15	\$6.00	0.0	45.5	7.0	0.0	(41.0)	8.5	\$7.3
B	LP- INTERSTATE GEN CO	9/29/89	AS- IGC	8	9,900	\$3.80	\$0.80	SEP \$1.19	\$7.75	10.7	15.1	6.5	10.3	103.9	31.3	\$76.7
NR	INTL AMER HOMES		OC- HOME	7	7,255	\$4.68	\$0.00	SEP \$0.47	\$0.88	(22.2)	(46.2)	1.9	0.0	(81.2)	10.1	\$6.3
L	JMB REALTY		OC- JMBRS	13	1,423	\$10.72	\$0.35	AUG \$2.66	\$8.25 X	4.2	12.1	3.1	4.2	(23.0)	24.8	\$11.7
A	KAUFMAN & BROAD HM	11/10/89	NY- KBH	6	27,604	\$5.52	\$0.30	NOV \$2.44 U	\$12.63	(1.9)	(9.3)	5.2	2.4	128.7	44.2	\$348.5
A	KOGER PROPS#	3/10/89	NY- KOG	8	26,260	\$9.17	\$2.80	SEP \$2.78	\$22.75 X	(0.7)	(0.8)	8.2	12.3	148.1	30.3	\$597.4
B	LP- LA QUINTA MTR IN#	1/12/90	NY- LQP	8	3,975	\$15.96	\$2.00	SEP \$1.25	\$7.25	7.4	(26.7)	5.8	27.6	(54.6)	7.8	\$28.8
C	LANDMARK LAND	9/15/89	AS- LML	10	7,996	\$4.00	\$0.00 D	SEP \$0.25	\$9.63	(18.1)	(49.2)	38.5	0.0	140.6	8.3	\$77.0
C	LEISURE-TECH	11/24/89	NY- LVX	7	5,433	\$5.11	\$0.00	SEP (\$0.22)	\$2.13	(5.6)	(43.3)	0.0	0.0	(58.4)	(4.3)	\$11.5
A	LENNAR CORP	11/10/89	NY- LEN	6	6,667	\$25.02	\$0.24	NOV \$2.80 S	\$18.63	(6.9)	(3.3)	6.7	1.3	(25.6)	11.2	\$124.2
NR	LOAN AMER FNCL-B		OC- LAFCB	9	1,987	\$8.18	\$0.00	SEP \$0.54	\$4.75	0.0	0.0	8.8	0.0	(41.9)	6.6	\$9.4
E	VJ- LOMAS FINANCIAL	9/29/89	NY- LFC	9	29,914	(\$3.89)	\$0.00	SEP (\$8.80)	\$0.63	(9.2)	(90.8)	0.0	0.0	0.0	0.0	\$18.7
C	MI SCHOTNSTN HMS		OC- MIHO	7	5,920	\$3.80	\$0.00	SEP \$0.78	\$7.50	3.4	42.9	9.6	0.0	97.4	20.5	\$44.4
NR	MAJOR REALTY	11/18/88	OC- MAJR	7	6,928	\$3.28	\$0.00	SEP \$0.72	\$11.75	(2.1)	6.8	16.3	0.0	258.2	22.0	\$81.4
NR	MAY DEPT STORES	2/26/88	NY- MA	10	138,445	\$19.29	\$1.42	OCT \$3.43	\$45.75	3.7	27.8	13.3	3.1	137.2	17.8	\$6,333.9
NR	MCA INC	2/26/88	NY- MCA	10	73,293	\$24.43	\$0.68	SEP \$2.68	\$55.88	(10.6)	15.7	20.8	1.2	128.7	11.0	\$4,095.2
C	MDC HOLDINGS	11/18/88	NY- MDC	6	15,890	\$9.58	\$0.00	SEP (\$1.01)	\$1.00	(11.1)	(65.2)	0.0	0.0	(89.6)	(10.5)	\$15.9
NR	MISSION WEST PR		AS- MSW	7	1,501	\$12.71	\$0.36	NOV \$0.10 D	\$7.38	0.0	(17.5)	73.8	4.9	(42.0)	0.8	\$11.1
L	MONEY RL EST INV		NY- MYM	13	10,639	\$9.35	\$0.29	NOV \$0.95	\$7.38 X	(4.2)	2.6	7.8	3.9	(21.1)	10.2	\$78.5
L	MSA REALTY CORP #	8/25/89	AS- SSS	13	8,647	\$7.06	\$0.60	JUN \$0.38	\$8.63	(2.8)	15.3	22.7	7.0	22.2	5.4	\$74.6
NR	NATIONAL ENTRPRS		NY- NEI	12	7,138	\$1.00	\$0.00	SEP (\$1.14)	\$0.88	179.6	(22.2)	0.0	0.0	(12.5)	(114.0)	\$6.2
C	LP- NATIONAL REALTY	8/25/89	AS- NLP	8	8,745	(\$3.28)	\$0.00 D	SEP (\$3.14)	\$3.13	8.7	(54.2)	0.0	0.0	0.0	0.0	\$27.3
L	F- NATL INCOME RLTY	3/24/89	OC- NIRTS	13	11,362	\$9.80	\$0.48 S	SEP (\$3.19)	\$3.50 X	7.3	(25.2)	0.0	13.7	(64.3)	(32.6)	\$39.8
A	LP- NEWHALL LAND	9/29/89	NY- NHL	10	39,010	\$3.83	\$0.80 S	SEP \$1.26	\$28.88	(3.3)	11.7	22.9	2.8	653.9	32.9	\$1,126.4
C	LP- NVR LP	11/10/89	AS- NVR	6	27,169	\$4.87	\$0.80	SEP \$1.36	\$5.13	2.5	(10.4)	3.8	15.6	5.2	27.9	\$139.2
B	OAKWOOD HOMES		NY- OH	12	5,204	\$10.12	\$0.08	SEP \$0.54	\$6.38	2.0	(9.1)	11.8	1.3	(37.0)	5.3	\$33.2
B	ORIOLE HOMES-A	5/26/89	AS- OHCA	7	1,917	\$13.86	\$0.55	DEC \$1.97 U	\$8.50	(2.9)	(11.3)	4.3	6.5	(38.7)	14.2	\$16.3
B	ORIOLE HOMES-B	5/26/89	AS- OHCB	7	1,883	\$13.86	\$0.60	DEC \$1.97 U	\$8.63	0.0	(11.8)	4.4	7.0	(37.8)	14.2	\$16.2
NR	PACESSETTER HOMES		OC- PACE	7	1,542	\$9.21	\$0.00	SEP \$1.67	\$7.75	(6.1)	121.4	4.6	0.0	(15.9)	18.1	\$12.0
NR	PARKWAY COMPANY		OC- PKWY	10	1,312	\$27.38	\$0.80	SEP (\$0.02)	\$13.50	(5.3)	(10.6)	0.0	5.9	(50.7)	(0.1)	\$17.7
NR	PATTEN CORP		NY- PAT	7	17,075	\$5.19	\$0.00	SEP \$0.18	\$2.13	(15.0)	(38.9)	11.8	0.0	(59.1)	3.5	\$36.3
B	PERINI INV PR#	9/15/89	AS- PNV	8	3,672	(\$0.17)	\$0.60	SEP \$1.72	\$13.88	(9.8)	(9.5)	8.1	4.3	0.0	0.0	\$53.8
C	PETERS(JM) CO INC	11/10/89	AS- JMP	7	13,980	\$9.23	\$0.00	NOV \$2.15	\$9.13	15.9	(5.2)	4.2	0.0	(1.1)	23.3	\$127.6
C	P-HM CORP	5/26/89	NY- PHM	6	25,280	\$11.60	\$0.12 S	SEP \$2.32	\$7.88	(24.1)	(28.1)	3.4	1.5	(32.1)	20.0	\$199.1
C	LP- PRIME MTR INN LP#	1/26/90	NY- PMP	8	4,000	\$19.42	\$2.08	JUN \$2.43	\$9.13 X	(10.3)	(32.3)	3.8	22.8	(53.0)	12.5	\$36.5
D	PUNTA GORDA		AS- PGA	7	3,317	(\$2.85)	\$0.00	SEP (\$1.76)	\$0.63	43.0	(70.6)	0.0	0.0	0.0	0.0	\$2.1
NR	READING CO-A	11/25/88	OC- RDGCA	8	4,971	\$11.89	\$0.00	SEP \$6.03	\$13.00	4.0	6.1	2.2	0.0	9.3	50.7	\$64.6
C	LP- RED LIONS INNS #	1/26/90	AS- RED	8	4,312	\$17.73	\$2.10 S	SEP \$1.97	\$17.75	6.0	23.6	9.0	11.8	0.1	11.1	\$76.5
NR	ROCKWOOD NATL		PS- RNC	7	9,827	\$2.23	\$0.00	SEP (\$0.43)	\$0.38	(14.4)	(76.9)	0.0	0.0	(83.2)	(19.3)	\$3.7
A	ROUSE CO#	9/15/89	OC- ROUS	8	47,967	\$6.14	\$0.56	SEP \$0.82	\$24.00	(4.0)	(3.4)	29.3	2.3	290.9	13.4	\$1,151.2
A	RYLAND GROUP	11/24/89	NY- RYL	6	12,877	\$14.61	\$0.60	SEP \$2.74	\$19.00 X	(0.5)	(1.4)	6.9	3.2	30.0	18.8	\$244.7
NR	SANTA FE PACIFIC		NY- SFX	10	157,752	\$4.52	\$0.10	DEC \$0.09 D	\$19.00	4.8	(0.8)	211.1	0.5	320.4	2.0	\$2,997.3
B	LP- SHOPCO LAURL CTR#	1/12/90	AS- LSC	8	4,660	\$7.77	\$1.10	JUN \$1.15	\$8.63	(2.8)	(1.6)	7.5	12.8	11.0	14.8	\$40.2
B	SKYLINE CORP		NY- SKY	12	11,217	\$13.83	\$0.48	NOV \$1.21	\$13.75	(6.0)	(15.0)	11.4	3.5	(0.6)	8.7	\$154.2
E	VJ- SOUTHMARK CORP	7/14/89	NY- SM	10	47,229	(\$25.01)	\$0.00	JUN (\$33.16) D	\$0.16	10.6	(92.2)	0.0	0.0	0.0	0.0	\$7.4
D	LP- SOUTHWEST RLTY#	9/29/89	AS- SWL	8	4,087	\$4.68	\$0.00	SEP (\$0.17)	\$1.25	0.0	86.7	0.0	0.0	(73.3)	(3.6)	\$5.1
NR	STARRETT HOUSING		AS- SHD	7	6,456	\$5.27	\$0.00	SEP \$0.72	\$5.50	(2.2)	(30.2)	7.6	0.0	4.4	13.7	\$35.5
A	LP- STD PACIFIC LP	11/10/89	NY- SPF	6	27,073	\$8.59	\$2.35 U	DEC \$3.87 U	\$15.25	10.9	19.7	3.9	15.4	77.5	45.1	\$412.9
NR	TEJON RANCH CO	11/24/89	AS- TRC	10	12,682	\$2.39	\$0.05	SEP \$0.17	\$41.50	(4.3)	29.3	244.1	0.1	1636.4	7.1	\$526.3
NR	TIERCO GP INC		OC- TIERC	8	1,216	(\$6.89)	\$0.00	SEP (\$13.38)	\$0.68	0.0	(79.4)	0.0	0.0	0.0	0.0	\$1.9
C	TOLL BROS	5/26/89	NY- TOL	6	29,920	\$2.54	\$0.00	OCT \$0.44	\$3.25	0.0	(33.3)	7.4	0.0	28.0	17.3	\$97.2
B	LP- UDC-UNIVRSAL DEV	11/24/89	NY- UDC	7	7,186	\$3.38	\$2.40	SEP \$4.36	\$23.63	12.5	31.1	5.4	10.2	599.0	129.0	\$169.8
NR	UNICORP AMER		AS- UAC	10	17,300	\$5.50	\$0.00	SEP (\$2.71)	\$2.13	6.3	(57.3)	0.0	0.0	(61.4)	(49.3)	\$36.8
C	UNION VALLEY CORP		AS- UVC	7	3,560	\$5.08	\$0.00	SEP (\$0.19)	\$3.25	(21.2)	(61.2)	0.0	0.0	(36.0)	(3.7)	\$11.6
C	US HOME CORP	11/10/89	NY- UH	6	44,031	\$4.19	\$0.00	SEP \$0.06	\$1.25	0.0	(37.5)	20.8	0.0	(70.2)	1.4	\$55.0
NR	LP- US REALTY PTNRS#		OC- USRLZ	8	1,222	\$14.38	\$1.56	SEP \$1.80	\$6.25	4.2	4.1	3.5	25.0	(56.5)	12.5	\$7.6
L	VINLAND PROPERTY		OC- VIPTS	13	5,966	\$2.18	\$0.00									

CHANGES

SYMBOLS & ABBREVIATIONS

RANKINGS: A - Strongest in EPS/CFS/dividend growth, financial/liquidity position, and competitive posture in business segment. Buy; B - Above average in EPS/CFS/dividend growth, financial/liquidity position, and competitive posture in business segment. Above average market performer/buy; C - Average but some volatility apparent in EPS/CFS/dividend growth, financial/liquidity position, and open to competitive pressures. Speculative buy; D - Below average with high volatility in EPS/CFS/dividends, financial/liquidity pressures with some illiquidity, and less competitive business position. More speculative buy; E - Sustained losses and cash flow, illiquidity, and possible bankruptcy filing. Most speculative buy. * = Not Ranked. Z = Audit or affiliates involved in pending transaction. New EPS or Dividend: U=Up. D=Down. S=Unchanged. I=Initial. X=Ex Dividend. # = Net Cash Flow (EPS plus noncash charges less mortgage payments). @=Gross Cash Flow. Book value for cash flow entities includes accum. depreciation. Last bid prices used for OTC. P=Paired stock. \$=Current appraised value reported see p. 3. F=Finite life REIT. LP=Limited partnership. L=Liquidating. VJ=In bankruptcy reorganization. INSERTED: Henley Properties, Inc. on Other Builders/Developers. ADJUSTED: Newhall Land & Farming 2-for-1 split payable 1/26/90. NAME CHANGE: Cal Fed Income Partners L.P. to CF Income Partners L.P. DELETED: Integrated Resources Inc.

Ranking
Changes